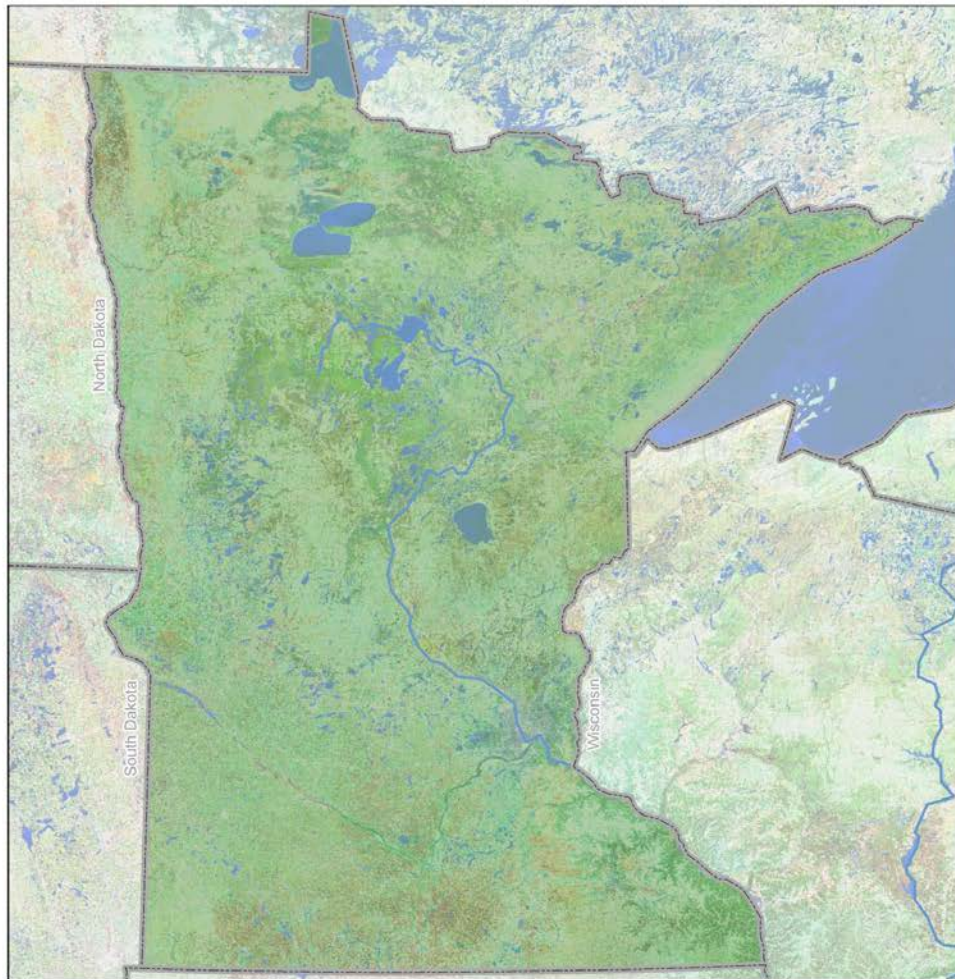


MINNESOTA ANNUAL ACTION PLAN FOR HOUSING AND COMMUNITY DEVELOPMENT 2014



Final April 2014

Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

In 1994, the U.S. Department of Housing and Urban Development (HUD) issued new rules consolidating the planning, application, reporting, and citizen participation processes for four formula grant programs: Community Development Block Grants (CDBG), Home Investment Partnerships (HOME), Emergency Shelter Grants (ESG),^[1] and Housing Opportunities for Persons with AIDS (HOPWA). The new single-planning process, termed the Consolidated Plan for Housing and Community Development, is intended to more comprehensively fulfill three basic goals: to provide decent housing, to provide a suitable living environment, and to expand economic opportunities.

According to HUD, the Consolidated Plan is designed to be a collaborative process whereby a community establishes a unified vision for housing and community development actions. The Plan offers entitlement jurisdictions the opportunity to shape housing and community development programs into effective, coordinated neighborhood and community development strategies. It also allows for strategic planning and citizen participation to occur in a comprehensive context, thereby reducing duplication of effort.

As the lead agency for the Consolidated Plan, the Minnesota Department of Employment and Economic Development (DEED), along with the sister administering agencies of the Housing Finance Agency (Minnesota Housing) and Department of Human Services (DHS), hereby follows HUD's guidelines for citizen and community involvement. These agencies are responsible for overseeing citizen participation requirements that accompany the Consolidated Plan and the CDBG, HOME, ESG, and HOPWA programs.

Purpose of the Annual Action Plan

The 2014 Minnesota Annual Action Plan for Housing and Community Development is the one-year planning document that identifies the needs and respective resource investments regarding the state's housing, homeless and non-homeless special needs populations, community development, and economic development needs.

[1]Recently renamed the Emergency Solutions Grant.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

The goals of DEED, Minnesota Housing, and DHS are to provide decent housing, a suitable living environment, and expanded economic opportunities for the state's low and moderate income residents. These agencies strive to accomplish these goals by maximizing and effectively utilizing all available funding resources to conduct housing and community development activities that will serve the economically disadvantaged residents of the state. By addressing needs and creating opportunities at the individual and neighborhood levels, Minnesota hopes to improve the quality of life for all residents. These goals are further explained as follows:

Providing decent housing entails helping homeless persons obtain appropriate housing and assisting those at risk of homelessness, preserving the affordable housing stock, increasing the availability of permanent housing that is affordable to low- and moderate-income persons without discrimination, and increasing the supply of supportive housing.

Providing a suitable living environment requires improving the safety and livability of neighborhoods and increasing access to quality facilities and services.

Expanding economic opportunities involves creating jobs that are accessible to low- and moderate-income persons, making mortgage financing available for low- and moderate-income persons at reasonable rates, providing access to credit for development activities that promote long-term economic and social viability of the community, and empowering low-income persons to achieve self-sufficiency to reduce generational poverty in federally-assisted and public housing.

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The State's evaluation of its past performance has been completed in a thorough Consolidated Annual Performance and Evaluation Report (CAPER), to be published in 2013. This document states the objectives and outcomes identified in the 2012 to 2016 Consolidated Plan and includes an evaluation of past performance through measurable goals and objectives compared to actual performance. This document can be found on DEED's website <http://mn.gov/deed/government/financial-assistance/community-funding/>, available 12/31/2013. Minnesota Housing's 2013 goal for rental rehabilitation was 380 units for a total HOME cost of \$11,007,716. Minnesota Housing actually awarded

\$5,078,845 for 378 units (146 of which are HOME units) in 4 developments. Production was less than anticipated because of the difficulty finding HOME-eligible preservation properties. Minnesota Housing 2013 goal for homeownership assistance was 400 units for a total HOME cost of \$4,000,000. Actual production as of June 30 is 274 units totaling \$2,553,000. As of June 30, 2013, HOPWA had provided assistance to 198 households totaling \$85,000. Some households may have been assisted more than once. The household count will be adjusted for the CAPER to take into account households receiving assistance more than once over the period. HOPWA is on pace to meet its goals.

For the Emergency Solutions Grant Program (ESG), in the 2012-2016 Consolidated Plan DHS projected serving 12,158 persons with emergency shelter each year. According to the recently submitted 2013 CAPER, DHS met and exceeded this goal and provided shelter to 14,665 persons. For 2013 DHS also projected re-housing 460 individuals and having 350 individuals remain stably housed as a result of ESG prevention and re-housing assistance. According to the recently submitted 2013 CAPER, DHS met and exceeded the first part of the goal, re-housed 478 individuals. However, it was not possible to determine if DHS met the goal of 350 persons remaining stably housed at exit due to the fact that many of these individuals remained in the ESG Re-housing program at the end of the program year. Of the 326 households who did exit during the year, 229 remained stably housed.

For DEED, as of September 30, 2013 Owner Occupied rehab goal for 2013 was 300 with actual accomplishments totaling 401 for an amount \$6,979,457. For rental rehab the goal set was 50 with actual accomplishments at 138 totaling 998,855. Commercial rehab's goal was 50 and accomplishments at 98 for 1,985,878. For public facilities the goal was 500 with accomplishments of 1,380 costing 1,692,528. New construction's goal was 0. Due to the lateness in HUD allocations projects are not progressing as quickly. Additional activities such as clearance and acquisition had high units accomplished but low goals set as this are directly related to tornado and flooding projects which are impossible to predict. DEED projected 150 LMI jobs, however, due to lower than usual demand for funds accomplished only 5 full time equivalent LMI jobs. Funding in the amount of \$192,000 was awarded and the remaining balance was returned to the Small Cities Development Program.

See a number 7 summary below for DHS detail.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

The Consolidated Planning process has been designed to enumerate Minnesota's overall strategy for coordinating federal and other housing and community development resources to provide decent housing, establish and maintain a suitable living environment, and expand economic opportunities, particularly for low- and moderate-income persons. Interested groups and individuals have also been encouraged to provide input into all aspects of Minnesota's Consolidated Planning activities, from assessing needs to setting priorities through performance evaluation. The public involvement process was initiated with the Citizen Participation Plan (CPP). The objectives of the CPP are to ensure that the

citizens of Minnesota, particularly persons of low- and moderate-income, persons living in slum and blight areas, units of local government, housing agencies, and other interested parties, are provided with the opportunity to participate in the planning process and preparation of the Consolidated Plan, including amendments to the Consolidated Plan and the Annual Performance Report. The CPP is attached in admin tab.

The State has aimed to broaden public participation through numerous opportunities for citizens to contribute information, ideas, and opinions about ways to improve Minnesota's neighborhoods, promote housing affordability and enhance the delivery of public services to local residents. These include a broad-based, statewide survey of interested citizens and stakeholders pertaining to Minnesota's housing and community development needs; meetings with agency representatives and stakeholders during focus group sessions to address rental, homeowner, and homeless needs; and regional forums held across the state to gather input from Minnesota citizens and interested parties. Other steps the State took to encourage widespread participation in the planning process included publishing notices in local newspapers, with a combined circulation of over two million readers, and direct solicitation of stakeholders and their interest groups.

The State of Minnesota continues to be committed to keeping all interested groups and individuals informed of each phase of the Consolidated Planning process and of activities being proposed or undertaken under HUD formula grant programs. DEED, Minnesota Housing, and DHS published the draft Consolidated Plan for public review in a manner that afforded citizens, public agencies, and other interested parties a reasonable opportunity to examine its contents and submit comments. The draft Plan included the amount of assistance the state agencies expect to receive and the range of activities that may be undertaken, including the estimated amount that will benefit persons of low- and moderate-income.

The availability of a completed draft Plan, how to access a copy of it, and information on public hearings was published in the statewide edition of the Minneapolis Star Tribune on Sunday, Sunday July 7, 2013, and emailed by Minnesota Housing to 3,875 individual and organization stakeholders. The notices described the purpose of the Plan and directed readers to where the Plan and directions on how to submit comment on needs, the draft action plan, and the CAPER was available. Documentation of this information is included in unique appendencies. Furthermore, citizens and groups may obtain a reasonable number of free copies of the proposed Action Plan by contacting DEED at 651-259-7462 or toll free at 800-657-3858 or the document may be downloaded from the DEED or Minnesota Housing websites.

DEED presented ideas to it's participants during input meetings throughout the state. Completed surveys available at DEED. Partipants are concerned about the reduction of HUD funds and also the attempt to reduce administration fees. Overall the participants are content with the use of the funds.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

Comments recieved by DEED, the response can be found in unique appendices under the admin tab of this document.

6. Summary of comments or views not accepted and the reasons for not accepting them

No comments or views were not accepted.

7. Summary

For the Emergency Solutions Grant Program (ESG), in the 2012-2016 Consolidated Plan DHS projected serving 12,158 persons with emergency shelter each year. According to the recently submitted 2013 CAPER, DHS met and exceeded this goal and provided shelter to 14,665 persons.

For 2013 DHS also projected re-housing 460 individuals and having 350 individuals remain stably housed as a result of ESG prevention and re-housing assistance.

According to the recently submitted 2013 CAPER, DHS met and exceeded the first part of the goal, re-housed 478 individuals. However, it was not possible to determine if DHS met the goal of 350 persons remaining stably housed at exit due to the fact that many of these individuals remained in the ESG Re-housing program at the end of the program year. Of the 326 households who did exit during the year, 229 remained stably housed.

PR-05 Lead & Responsible Agencies - 91.300(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
Lead Agency	MINNESOTA	
CDBG Administrator		
HOPWA Administrator	MINNESOTA	Minnesota Housing Finance Agency
HOME Administrator	MINNESOTA	Minnesota Housing Finance Agency
ESG Administrator		
HOPWA-C Administrator		

Table 1 – Responsible Agencies

Narrative

Lead Agency is The Minnesota Department of Employment and Economic Development. The "select organization" does not recognize DEED. See AD-55 grantee contacts for information needed.

Consolidated Plan Public Contact Information

Key Persons

Three state agencies were involved in the 2014 Action Plan process: The Minnesota Department of Employment and Economic Development (DEED), Minnesota Housing (MH) and the Minnesota Department of Human Services(DHS). DEED is the lead agency responsible for oversight and preparation of the Plan.

The following individuals from each of the agencies participated in development of the Consolidated Plan:

CDBG

Christine Schieber, DEED 651-259-7461

Lisa Dargis, DEED-Economic Development 651-259-7446

HOME and HOPWA

Jim Cegla, Minnesota Housing 651-297-3126

ESG

Isaac Wengerd, Dept. of Humans Services 651-431-3815

Dina Chou, Dept. of Human Services 651-431-3824

AP-10 Consultation - 91.110, 91.300(b); 91.315(l)

1. Introduction

As part of the consolidated planning process, the lead agency, DEED, and sister administering agencies, Minnesota Housing and DHS, must consult with a wide variety of organizations in order to gain understanding of housing and community development needs.

Provide a concise summary of the state's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies

This represents a collective effort from a broad array of entities in Minnesota, ranging from advocacy groups for the disabled to economic development organizations. Private, nonprofit, and public organizations, including mayors, county supervisors, county commissioners, county managers, planning and development district administrators, councils of government, persons interested in the CDBG program, persons interested in the HOME program, persons associated with Continuum of Care organizations, and the Minnesota Department of Health were contacted through email correspondence, telephone interviews, and face-to-face interactions. These persons were solicited to discuss housing and community development needs in Minnesota, including the ranking of those needs and activities that DEED, Minnesota Housing, and DHS might consider to better address needs throughout the state. Further, individuals were asked to provide additional insight into prospective barriers and constraints regarding housing and community development needs in Minnesota.

As part of the consolidated planning process, Minnesota Housing emailed a notice of availability of the 2014 draft Action Plan public comment period and public hearing information to 3,875 organizations and individuals who had signed up for an email publication of items of interest to Minnesota Housing's stakeholders.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness

Describe consultation with the Continuum(s) of Care that serves the State in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The DHS hosts a monthly meeting of all Continuum of Care Coordinators. Also in attendance are staff from various state administered homelessness programs as well as HUD CPD staff. Issues such as accessing HUD Super NOFA funding, the allocation of program resources, development of common assessment tools, performance measurement and HMIS as these issues relate to the CoC's are discussed at these meetings.

State government has a long standing relationship with the CoC's dating back to their inception in the 1990's. Representatives from the Minnesota Interagency Council on Homelessness subcommittee on Continuum of Care Planning send representatives to all Continuum of Care regional meetings.

Allocation:

The State's competitive RFP process for ESG funds has always included, and will continue to include, the opportunity for each CoC representative(s) to participate in the evaluation of applications for funding. CoCs have taken advantage of this opportunity and offered meaningful and important input into the allocation of ESG funds in their regions.

Performance Standards and Evaluation:

The State has initiated several meetings with CoC representatives from within the balance of state to discuss and solicit input for our preliminary ESG performance standards and goals, particularly for the relatively new homelessness prevention and rapid re-housing activities. The initial set of outcomes for these ESG-funded activities are described in the Outcomes Measures and Performance Standards section of this Plan.

The State recognizes that the performance of ESG projects, particularly ESG homelessness prevention and rapid re-housing activities, will affect the performance of the CoC region as a whole. For this reason, the State will continue to engage CoC representatives (particularly after CoC performance standards are published in more detail) about the ways in which individual ESG project outcomes can contribute to the success of the CoC as a whole.

At the same time, the availability of funding, regional economic hardships, system failures of larger Federal and State programs at meeting the needs of homeless or at-risk persons will all collectively impact the region's success at ending homelessness, shortening the average length of time spent homeless, or other proposed performance standards for CoCs.

Policies and Procedures for HMIS:

The State is an active participant in the HMIS Governing Group, which oversees the operation and administration of Minnesota's statewide HMIS system. The Governing Group includes representatives from each of the 13 Continuum of Care regions in the state, as well as persons who were formerly homeless, various advocacy organizations, providers serving specific populations such as youth and veterans, and funders. State staff are members on the HMIS Governing Group, making joint decisions with CoC representatives regarding the administration of HMIS.

Each CoC representative is also responsible for ensuring HMIS receives adequate funding in part through their region's CoC funding process. Additionally, CoC representatives work on subcommittees to develop and refine policies and procedures for governance and operation of the State's HMIS system.

2. Agencies, groups, organizations and others who participated in the process and consultations

2	Agency/Group/Organization	MN Dept. of Health
	Agency/Group/Organization Type	Other government - State
	What section of the Plan was addressed by Consultation?	Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Meeting with Dan Taylor, the Lead Specialist, discusses issues surrounding lead in homes. Discussed issues with coordination of lead funds with SCDP funds and how to improve locating homes with lead.
3	Agency/Group/Organization	MN NAHRO
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Public Housing Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Discussed possible use of CDBG funds for Rural Development multifamily rehab and also public housing rehab. Outcomes are prioritizing which RD and Public Housing developments have urgency for rehab.

Table 2 – Agencies, groups, organizations who participated

Identify any Agency Types not consulted and provide rationale for not consulting

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Minnesota Interagency Council on Homelessness (MICH)	Minnesota has a statewide plan to end homelessness which includes all CoCs in the state. This plan is coordinated by the MICH, in which DHS staff participate. The MN Plan to End Homelessness encompasses all of the affordable housing and suitable living environment goals of the Strategic Plan.
Local Units of Gov't	DEED	Consulted with many units of local gov't across the state when preparing the action plan, 3 separate meetings held in the Spring. All are Ok with process and use of funds.
Non-profits/for profits.	DEED	Consulted with in the spring, 3 separate meetings in different parts of the state. Most concern was the reduction in funding from HUD. They like our program as it is easy to administer.
Affordable Housing Plan	Minnesota Housing	All of Minnesota Housing's investments each year are guided by an "Affordable Housing Plan," (AHP). The AHP is developed with input from stakeholders and staff who are familiar with housing needs around the state from their work during the year. A draft is made available on Minnesota Housing's website for a 14 day public comment period ending August 30, and notice of its availability is made to the public and stakeholders. The AHP is reviewed twice by the Minnesota Housing Board and, once approved, prescribes the amounts and uses of all the agency resources, which may not be deviated from without the Board's approval.

Table 3 - Other local / regional / federal planning efforts

Narrative

AP-12 Participation - 91.115, 91.300(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

The Consolidated Planning process has been designed to enumerate Minnesota's overall strategy for coordinating federal and other housing and community development resources to provide decent housing, establish and maintain a suitable living environment, and expand economic opportunities, particularly for low- and moderate-income persons. Interested groups and individuals have also been encouraged to provide input into all aspects of Minnesota's Consolidated Planning activities, from assessing needs to setting priorities through performance evaluation. The public involvement process was initiated with the Citizen Participation Plan (CPP). The objectives of the CPP are to ensure that the citizens of Minnesota, particularly persons of low- and moderate-income, persons living in slum and blight areas, units of local government, housing agencies, and other interested parties, are provided with the opportunity to participate in the planning process and preparation of the Consolidated Plan, including amendments to the Consolidated Plan and the Annual Performance Report. The CPP is presented under the administration tab.

The State has aimed to broaden public participation through numerous opportunities for citizens to contribute information, ideas, and opinions about ways to improve Minnesota's neighborhoods, promote housing affordability and enhance the delivery of public services to local residents. These include a broad-based, statewide survey of interested citizens and stakeholders pertaining to Minnesota's housing and community development needs; meetings with agency representatives and stakeholders during focus group sessions to address rental, homeowner, and homeless needs; and regional forums held across the state to gather input from Minnesota citizens and interested parties. Other steps the State took to encourage widespread participation in the planning process included publishing notices in local newspapers, with a combined circulation of over two million readers, and direct solicitation of stakeholders and their interest groups.

The State of Minnesota continues to be committed to keeping all interested groups and individuals informed of each phase of the Consolidated Planning process and of activities being proposed or undertaken under HUD formula grant programs. DEED, Minnesota Housing, and DHS published the draft Consolidated Plan for public review in a manner that afforded citizens, public agencies, and other interested parties a reasonable opportunity to examine its contents and submit comments. The draft Plan included the amount of assistance the state agencies expect to receive and the range of activities that may be undertaken, including the estimated amount that will benefit persons of low- and moderate-income.

The completed draft Action Plan, how to access a copy of it, and information on public hearings and forums was published in the statewide edition of the Minneapolis Star Tribune on Sunday, July 7, 2013. The notice described the purpose of the Plan and directed readers to where the Plan was available. Minnesota Housing Emailed a notice of public meetings and availability of the draft action plan and CAPER to 3,875 stakeholders. Documentation of this information is included in the Appendix. In addition, Minnesota Housing's Affordable Housing Plan process seeks public comment on its uses of HOME funds and other agency resources. Furthermore, citizens and groups may obtain a reasonable number of free copies of the proposed Consolidated Plan by contacting DEED at 651-259-7462 or toll free at 800-657-3858 or the document may be downloaded from the DEED or Minnesota Housing websites.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Meeting	Non-targeted/broad community	No attendance, July 24, 4:00 pm at Human Services	None	None	
2	Newspaper Ad	Non-targeted/broad community	none July 7, 2013, Star Tribune	none	none	http://www.mnhousing.gov/news/reports/MHFA_011842.aspx

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
4	Public Meeting	Cities/Counties /CDBG Administrators	Administrators of DEED CDBG grants and some communities, 3 meetings held around the state in September.	CDBG administrators agree with the program and the states use of funds, major concern is the reduction of funds from HUD.	none	
5	Internet Outreach	Affordable housing stakeholders: developers and management companies, local governments, nonprofits	Notice of the draft Action Plan were emailed to 3,875 stakeholders and notices of the AHP were emailed to _____ stakeholders		Not applicable.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
6	Monthly Meeting with Continuum of Care Coordinators	Continuum of Care Coordinators	Each month DHS staff meet with representatives of the State's 10 Continuum of Cares to discuss updates in HUD funding, both ESG and CoC. During the October 12, 2012 the State's ESG portion of the 2013 Annual Action Plan and future plans for ESG funding priorities were discussed with CoC Coordinators.	No comments were received regarding the Action Plan at this meeting.		

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
7	Public Meeting	Non-targeted/broad community Residents of Public and Assisted Housing	Several Housing Forums held around the state by Minnesota Housing. City and county leaders, housing professionals including real estate people, public housing leaders, non profits and for profits, and economic development professional. Well attended. Discussions on issues in the region, solutions to the issues, and strategies to access financing. Agencies involved: MH, CMHE, BD, and	Depending on the current housing situation and future forecast in the regions, the comments received varied. The most common theme is that more funds are needed for housing and economic development. Annual Action Plan 2014	none	18

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
8	Internet Outreach	Non-targeted/broad community	The plan was available in multiple libraries across the state.	No comments received.	None.	

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources – 91.320(c)(1,2)

Introduction

Anticipated resources are assumed to equal new appropriations for 2013 plus carry forward of prior years' resources plus program income, as described below. DEED has adjusted the HUD annual allocation down 2 million from last year.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	17,158,792	300,000	500,000	17,958,792	0	DEED CDBG community and economic development.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	6,374,101	396,000	5,450,868	12,220,969	0	MHFA: Homebuyer assistance and rental rehabilitation and new construction
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	147,579	0	853	148,432	0	MHFA: Emergency assistance for homeowners and renters; MAP admin of \$10,020; MHFA admin of \$4,427

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	1,908,855	0	1,638,747	3,547,602	0	ESG resources will be used to provide shelter, prevention and rapid rehousing assistance.

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

The HOME match requirement is met through tenant-based rental assistance from Minnesota Housing's Bridges program, which provides a rent subsidy for up to five years to persons with mental illness until they can obtain a permanent rent subsidy; and the Housing Trust Fund program. The CDBG match will be a mix of private, local, and state resources such as loans from local banks, weatherization funds, Minnesota Housing rehabilitation loans, and The Department of Health's Lead Hazard Control Grant funds. CDBG-Economic Development match is through local initiatives, local banks, owner equity.

DHS has required its sub-recipients to provide eligible matching funds at the sub-recipient level for each dollar requested in ESG funding. To ensure compliance with the requirement, DHS has required identification of matching funds in all sub-recipient contracts and reimbursement requests. In addition, review of ESG matching funds has been added to the ESG Monitoring Protocol for ESG subrecipients and ensures that the

adequate documentation of eligibility exists for funds used to match ESG. Because of the diverse nature of local homelessness program funding, it is not possible to summarize at the State level the exact types and amounts of each funding source, but the most common sources of matching funds include state Family Homelessness Prevention and Assistance Funds (FHPAP), state and HUD Transitional Housing Program funds (for scattered-site programs), Minnesota Community Action Grants, Private Foundations and Individual Donations.

Minnesota Housing's HOME HELP program of downpayment assistance leverages Minnesota Housing first mortgage financing. The Affordable Rental preservation program (HOME) leverages other agency, private, and low-income housing tax credit investment.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

Foe DEED CDBG public facilities projects will include public infrastructure such as water treatment which will benefit 51% LMI or more based on city wide projects in those communities.

Discussion

Not applicable

Annual Goals and Objectives

AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
3	Create Economic Opportunities	2012	2013	Non-Housing Community Development	SLUM AND BLIGHT COMMERCIAL DISTRICT CITYWIDE PUBLIC FACILITIES	Non Housing-Comm Development-Public Facilities	CDBG: \$4,500,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 3200 Persons Assisted Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 3900 Households Assisted Businesses assisted: 75 Businesses Assisted
4	Create Economic Opportunities-Jobs	2012	2013	Non-Housing Community Development	Economic Development	Non housing-economic development-Jobs-DEED	CDBG: \$2,507,342	Jobs created/retained: 75 Jobs

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
6	Enhance affordable housing opportunities	2112	2116	Affordable Housing	TARGET AREA HOUSING REHAB Balance of State	Affordable Single Family Housing Rehab-DEED Affordable Rental Rehab-DEED and MH Affordable homeownership	CDBG: \$10,951,450 HOME: \$11,188,099	Rental units rehabilitated: 758 Household Housing Unit Homeowner Housing Rehabilitated: 300 Household Housing Unit Direct Financial Assistance to Homebuyers: 321 Households Assisted
7	Prevent homelessness	2012	2016	Persons At-Risk of Homelessness	Balance of State	Homeless Prevention-DHS & MHFA	HOPWA: \$146,427 ESG: \$154,623	Homelessness Prevention: 240 Persons Assisted
8	Rapidly Re-house Homeless Persons	2012	2016	Homeless	Balance of State	Rapid Re-Housing - DHS	ESG: \$293,250	Tenant-based rental assistance / Rapid Rehousing: 159 Households Assisted
9	Emergency Shelter	2012	2016	Homeless	Balance of State	Emergency Shelter - DHS	ESG: \$1,178,277	Homeless Person Overnight Shelter: 12658 Persons Assisted

Table 6 – Goals Summary

Goal Descriptions

3	Goal Name	Create Economic Opportunities
	Goal Description	CDBG: For water and sewer improvements to communities, the state proposes 7100 persons of which 3900(55%) are LMI and 3200 non LMI for approx. \$2 million. Entries in goal indicators are for persons not HH. Target area slum and blight districts in small towns(usually a downtown area), the state proposes 75 units 2.5 million

4	Goal Name	Create Economic Opportunities-Jobs
	Goal Description	
6	Goal Name	Enhance affordable housing opportunities
	Goal Description	<p>In 2014, CDBG plans to rehab 300 Owner occupied units, rental rehab of 100(combination of single family, duplexes and 3 or more of multi-family). DEED and Minnesota Housing partnering for 139 rental unit rehab. The remaining rental of 519 is with HOME funds. It is Minnesota Housing's preference to use its HOME funds for rental preservation; however, a portion of HOME funds may be redirected to rental new construction, depending on the type of applications received in response to Minnesota Housing's Consolidated RFP and the relative need for new construction or preservation.</p> <p>CDBG: Single family owner rehab(300) and single famliy rental and small multi family rental rehabilitation(100), DEED Partnering with Minnesota Housing(139 rental rehab units) totaling approx. \$10,951,450.</p> <p>HOME: Multi-family rental rehabilitation (519 units approx \$7,788,099) for a grand total of 758 rental units.</p> <p>Minnesota Housing provides direct downpayment and closing cost assistance to homebuyers and estimates it will assist 321 households in 2014 in the approx amount of \$3,400,000.</p>
7	Goal Name	Prevent homelessness
	Goal Description	<p>70 of the 240 persons assisted with homelessness prevention will be attributable to the Emergency Solutions Grant Program (ESG). The remaining 170 persons will be served under the Housing Opportunities for Persons with AIDS (HOPWA) program.</p> <p>As stated in the 2012-2016 Consolidated Plan (Goal 1), the goal of these ESG funds is that persons at-risk of homelessness are stably rehoused or diverted from shelter as quickly and effectively as possible, through the provision of short and medium-term rental assistance and housing relocation and stabilization services.</p>
8	Goal Name	Rapidly Re-house Homeless Persons
	Goal Description	<p>As stated in the 2012-2016 Consolidated Plan (Goal 1), the goal of these ESG funds is that homeless personsare stably rehoused or diverted from shelter as quickly and effectively as possible, through the provision of short and medium-term rental assistance and housing relocation and stabilization services.</p>

9	Goal Name	Emergency Shelter
	Goal Description	<p>As stated in the 2012-2016 Consolidated Plan (Goal 3), the goal of these funds are to ensure homeless persons, including special needs populations, have adequate emergency shelter.</p> <p>For the upcoming program year, we anticipate that 12,658 homeless persons will will receive adequate emergency shelter.</p> <p>Note: Funding allocated to this goal (below) does not include administrative and data collection funds.</p>

AP-25 Allocation Priorities – 91.320(d)

Introduction

For the SCDP program we have three times the request for funds than we are able to award. Although estimated five year goals for specific activities need to be set as required by HUD the reality is that if goals are not achieved it is based on the lack of funding, economic times, and local objectives and goals that, while compliant with the program, do not achieve the numeric goals of DEED. Thank you for having an allocation number early and allowing us to set a goal based on an allocation, it is much easier to plan realistically. DEED believes that using one year accomplishments and current funding as a source for future planning of funds is more realistic and annual or five goals hold no merit due to uncertainty of future funding. The SCDP program is highly utilized and very successful in Greater Minnesota and the goals have little to no impact on the decision for the use of future funds.

HOME funds are not allocated to local units of government or to nonprofits to administer. The Minnesota Housing Finance Agency awards HOME funds directly to owners and loan applicants for constructing new affordable rental developments, rehabilitating privately-owned affordable rental housing, and purchases downpayment assistance loans to first-time homebuyers. The programs are available throughout the state. Minnesota Housing will not allocate anticipated program income. Once program income is received, it will be allocated by the Minnesota Housing Board through the Agency's Affordable Housing Plan to a HOME-eligible activity described in this Action Plan.

HOPWA provides temporary emergency rental and homeowner assistance to persons with HIV/AIDS to avoid homelessness. Funds are available through the Minnesota AIDS Project throughout the portion of the state that is outside the 13-county metropolitan area that accesses the Minneapolis HOPWA grant.

ESG funds for shelter will be awarded to programs throughout the state of Minnesota. ESG funds for rehousing will be targeted to non-entitlement areas only. ESG funds will be used for the purposes of providing shelter and rehousing activities, some of which fall under the category of rapid re-housing and some of which are considered a prevention activity by HUD (even though the assisted households lack permanent housing and need to be re-housed). Minnesota has a state funded program named the Family Homeless Prevention and Assistance Program which is used to meet homelessness prevention needs in the state for persons needing assistance with arrears to stay in their housing and avert homelessness.

Funding Allocation Priorities

	Create Economic Opportunities (%)	Create Economic Opportunities-Jobs (%)	Enhance affordable housing opportunities (%)	Prevent homelessness (%)	Rapidly Re-house Homeless Persons (%)	Emergency Shelter (%)	Total (%)
CDBG	20	5	0	0	0	0	25
HOME	0	0	30	0	0	0	30
HOPWA	0	0	0	100	0	0	100
ESG	0	0	0	5	19	76	100

Table 7 – Funding Allocation Priorities

Reason for Allocation Priorities

Percentages include administration costs. Allocation priorities are based on needs in market study, needs assessment and public input.

CDBG: Seventy percent of the funds will serve low to moderate income persons, categories include housing rehabilitation or public facilities. The remaining thirty percent will be spent on ED for jobs, commercial slum and blight or urgent threat, including administration dollars. The state does not intend on spending funds toward public services for homelessness as DHS receives ESG funds to address this. CDBG rental housing rehab funded by DEED in conjunction with the MH RFP does allocate rehab dollars to homelessness units as part of the multifamily projects.

HOPWA: Federal regulations dictate both the geography in which HOPWA funds may be used and the beneficiaries. Because only 15% of persons living with HIV/AIDS live in counties outside the seven-county Twin Cities metropolitan area and most are already housed, preventing homelessness is a more rational approach than housing development or tenant-based rent assistance.

HOME: Many federally assisted housing developments need rehabilitation to preserve their federal rent subsidy and, hence, the affordability of their units. There is a growing need for affordable rental housing. First time homebuyers have difficulty assembling downpayment and closing costs. Supporting first time homebuyers and encouraging them to purchase houses in foreclosure-impacted areas helps support local housing markets and achieves homeownership.

ESG: The majority of shelter beds in the state of Minnesota are located within ESG entitlement areas, however, the balance is shifting gradually towards more shelter beds in non-entitlement areas where many homeless persons originally resided. ESG shelter funds will be targeted to non-entitlement areas, but some ESG funding of shelters in entitlement areas will continue. ESG rehousing activities will be funded in non-

entitlement areas only. Indicators of rehousing need such as poverty, housing burden and public assistance use show a need that is commensurate with federal ESG formula allocation of ESG funds.

How will the proposed distribution of funds will address the priority needs and specific objectives described in the Consolidated Plan?

For CDBG, the distribution of funds address the high needs of housing by providing safe, stable and affordable housing to low to moderate income households. In creating economic opportunities, the rehabilitation of commercial property eliminates slum and blight, for assistance to businesses there is job creation for low to moderate persons.

For HOME, the consolidated plan ranks very low-income renters of every type as a high priority need and tenants with incomes between 51% and 80% as a medium priority need. Targeting the HOME funds for rental new construction or rehabilitating rental developments that are already populated with tenants at these income levels ensures that HOME addresses the priority needs of renters. Deferred loan funding enhances affordability by reducing the need for amortizing debt, which could force owners to increase rents to repay the loans. Downpayment and closing cost assistance is necessary to help first-time homebuyers overcome entrance cost barriers to homeownership and, with higher downpayments than they may otherwise be able to assemble, require less amortizing debt and a lower mortgage payment. Downpayment assistance is made in conjunction with tax-exempt mortgage financing, which ensures a fixed market or below-market interest rate and a stable principal and interest payment over the mortgage term.

Minnesota uses its HOPWA resources to maintain persons with HIV/AIDS in their current housing by providing emergency assistance because that is the most pressing need identified for this population.

As outlined in the Consolidated Plan, ESG funds will be used to meet the priority needs of providing emergency shelter, prevention and rapid re-housing to persons at-risk of, and experiencing, homelessness.

AP-30 Methods of Distribution – 91.320(d)&(k)

Introduction

Formula grant funds from the CDBG, HOME, HOPWA, and ESG programs may be directed to their highest and best use first, within each set of program guidelines, given the funding of all housing and community development programs throughout Minnesota.

Still, the housing and community development needs statewide far exceed the available resources to address them. Therefore, it is necessary to prioritize needs by type of activity and geography in order to ensure the greatest impact with limited resources. Diversity across the state means that different areas have different housing and community development needs that are best addressed through different types of investment activities. Such activities are guided by selected ranking criteria. Minnesota's experience with these programs shows that these resources are indeed distributed throughout the state. The entire state will be served by HOME and ESG funds, and non-entitlement areas will be served by CDBG and HOPWA funds.

Distribution Methods

1	State Program Name:	DEED:Small Cities Development Program and ED
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	<p>Of the amount available for awards, DEED intends to provide SCDP funds in accordance to the following approximate allocations: 30 percent for Single Purpose Applications and 55 percent for Comprehensive Applications. The remaining 15 percent allocation is designated for DEED's federal economic development set-aside. Allocation percentages may be modified by DEED if it determines that there is a shortage of fundable applications in any category. DEED does not distribute funds based on specific geographic area. Applications are competitive in nature.</p> <p>The state plans grant admin cost of 2% - 334,176 plus 100,000(match free) for a total of 443,176.</p>

Describe all of the criteria that will be used to select applications and the relative importance of these criteria.

Projects are evaluated based on an assessment of need, impact and the capacity of the applicant to complete the project in a timely manner. **SCDP Funds:** Up to 240 of the points will be awarded based on evaluation of the proposed project to serve low- and moderate-income persons in relation to housing, alleviate slum and blight in commercial areas, and/or address public facility activities. Up to 180 points will be awarded based on evaluation of need, impact, and capacity for the proposed project. **Need-**up to 90 points given for the following: Benefit to low and moderate income persons and are either substandard or pose a threat to the health or safety of the occupants; An inadequate supply of affordable housing for low or moderate income persons; or Other documented condition that gives evidence of the need for improvement or additional units to the housing stock serving low and moderate income persons. **Impact-** up to 90 points given for the following: An evaluation of the extent to which the proposed project will eliminate housing deficiencies or improve public facilities services serving low and moderate income persons. Evaluation of administrative capacity to complete the activity in a timely manner. The application must include information documenting an applicant's history in administering prior SCDP funds and/or other programs similar in nature, to determine whether the applicant has the ability to complete the proposed activity. Prior SCDP performance will be taken into consideration for future funding. **Cost-Effectiveness-**up to 30 points given for the following: An evaluation of the extent to which the proposed project will make cost-effective use of grant funds, including consideration with, and use of, funds from other public and private sources. Per household benefit is reasonable. Project benefits existing, rather than future, population, unless growth is beyond applicant's control. **State Demographics-**Up to 30 points based on: The number of poverty-persons in the area under the applicant's jurisdiction. The percentage of persons residing in the area under the applicant's jurisdiction. The per capita assessed valuation of the area under the jurisdiction of the applicant, such that points are awarded in inverse relationship to the applicant's per capita assessed valuation. **Economic Development** Applications must attain at least 400 of the 600 available points for the project to be recommended for funding. Points are broken down as follows: **Community Need and Capacity** - maximum of 170 points: Economic Distress Demographics. Up to 70 points may be awarded based on unemployment levels, percent of poverty persons and median income compared to the state averages. Improve Economic Stability. Up to 80 points may be awarded based on economic vulnerability of the community, chronic unemployment and out-migration due to lack of jobs. Consideration of Capacity. Up to 20 points may be awarded based on applicant's ability to properly manage project within state and federal guidelines. **Impact** - maximum of 230 points: Impact of Project. Up to 230 points may be awarded based on project's job creation, the ratio of grant funds to each full-time equivalent job, increase in property tax base and the immediacy of impact. **Financial Feasibility and Cost Effectiveness** - maximum of 200 points: Financing Gap. Up to 70 points may be awarded based on

<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>http://mn.gov/deed/government/financial-assistance/</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>N/A</p>

	<p>Describe how resources will be allocated among funding categories.</p>	<p>Of the amount available for awards, DEED intends to provide SCDP funds in accordance to the following approximate allocations: 30 percent for Single Purpose Applications and 55 percent for Comprehensive Applications. The remaining 15 percent allocation is designated for DEED's federal economic development set-aside. Allocation percentages may be modified by DEED if it determines that there is a shortage of fundable applications in any category. DEED does not distribute funds based on specific geographic area. Applications are competitive in nature. Seventy percent of the HUD funds will serve low to moderate income persons, categories include housing rehabilitation or public facilities. The remaining thirty percent will be spent on commercial slum and blight or urgent threat, including administration dollars.</p>
--	--	--

<p>Describe threshold factors and grant size limits.</p>	<p>The SCDP portion of CDBG funds made is available to the state for distribution to develop viable eligible communities by providing financial assistance to address the need for decent, safe, and affordable housing; economic development and public facility needs; and the need for a suitable living environment by expanding economic opportunities that principally benefit low- to moderate-income households. Eligible applicants are cities with a population under 50,000 and counties and townships with an unincorporated population of less than 200,000. Grant size limits are up to \$600,000 for single purpose(housing or public facilities) which includes administration costs, or comprehensive projects(combination of any: housing, commercial, or public facilities) up to 1.4 million including administration.</p> <p>,</p> <p>There are two types of SCDP applications accepted by DEED:</p> <ol style="list-style-type: none"> 1. The Single Purpose Application is used by a housing project that includes one or more activities designed to increase supply or quality of dwellings suited to the occupancy of the individuals and families or public facilities projects that include one or more activities designed to acquire, construct, reconstruct, or install buildings or infrastructure that serve a neighborhood or community. With the Single Purpose Application, aggregate funding amount cannot exceed \$600,000. Two or more activities cannot exceed \$600,000 in total. 2. The Comprehensive Application is for projects that include a combination of at least two interrelated activities that are designed to address community development needs that, by their nature, must be carried out in a coordinated manner and/or require a coordination of housing, public facilities, or community development/revitalization activities. These projects must be designed to benefit a defined geographical area. Aggregate funding amount cannot exceed \$1,400,000, and each activity within the application is limited to \$600,000. <p>For Economic Development the grant size limit is 500,000.</p>
---	---

	What are the outcome measures expected as a result of the method of distribution?	Number of low to moderate households served, number of slum and blight properties brought to code, health and safety and facade improvements. Provide decent and affordable housing and create suitable living that is sustainable. Create economic job opportunities that are sustainable.
2	State Program Name:	Minnesota Emergency Solutions Grant Program
	Funding Sources:	ESG
	Describe the state program addressed by the Method of Distribution.	Emergency Solutions Grant Program.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	For more detail on criteria, see "ESG Methods of Distribution Attachment Page 1, 2 & 3" under AP-90 Attachments.

<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Announcement of the Request For Proposals for the ESG program will be distributed to all Department of Human Services - Office of Economic Opportunity funded housing agencies, all Continuum of Care committees, all members of the Minnesota Interagency Council on Homelessness, the Minnesota Coalition for the Homeless, the U.S. Department of Housing and Urban Development local office. The RFP will be posted on the Minnesota Department of Human Services website and published in the State Register.</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>In 2014, ESG funds will be awarded through a competitive Request For Proposals process. Eligible applicants will include non-profit 501 (c) (3) organizations and local units of government. Many of non-profits are community and/or faith based. Criteria for making awards are as follows:</p> <p>For more detail, see "ESG Methods of Distribution Attachment Page 1, 2 & 3" under AP-90 Attachments.</p>
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>NA</p>

	Describe how resources will be allocated among funding categories.	<p>The State of Minnesota will use the maximum hold-harmless amount of funding for shelter activities, which is \$1,178,277.</p> <p>The State of Minnesota and its sub-recipients will use the maximum allowed amount for ESG Administration, which is 7.5 percent of \$143,164. A portion of these funds are shared with sub-recipients to assist in administration of their ESG programs.</p> <p>Additional ESG funds above the hold harmless shelter amount administration limits will be used exclusively for rehousing activities, totaling \$587,414.</p>
	Describe threshold factors and grant size limits.	<p>The State of Minnesota does not have grant limits in awarding ESG funds. However, because DHS attempts to achieve statewide distribution with emergency shelter and re-housing funds, sizes of grant awards may be limited by available funds and the number of requests. There are no threshold factors for funding other than those identified in "ESG Methods of Distribution Attachment Page 1, 2 & 3" under AP-90 Attachments, which is limited to the timely and complete submission of application materials by the deadline.</p>
	What are the outcome measures expected as a result of the method of distribution?	<p>For the upcoming program year, we anticipate that 12,658 homeless persons will will receive adequate emergency shelter and 229 households who are either at-risk of, or currently experiencing homelessness, will be moved to permanent housing.</p> <p>By funding a continuum of activities with ESG, we are meeting needs for homeless persons for both crisis housing and long-term solutions, including emergency shelter, prevention (re-housing those at-risk of homelessness) and rapid re-housing (for those already homeless by HUD's definition). Currently, we are the only State agency providing funding for emergency shelter activities, which meets a critical needs gap particular in rural parts of Minnesota.</p>
3	State Program Name:	Minnesota Housing-HOME

	Funding Sources:	HOME
--	-------------------------	------

Describe the state program addressed by the Method of Distribution.

HOME Homeowner Entry Loan Program (HOME HELP)

HOME HELP provides interest-free, deferred funding to eligible homebuyers for downpayment and closing costs. The program supports first-time homebuyers receiving a Minnesota Housing "Start Up" first mortgage loan. The first mortgage lender also takes the HOME HELP loan application and makes the loan. This federally funded program includes a provision to forgive 50 percent of the loan after six years of owner occupancy. HOME HELP aids low- and-moderate income households in overcoming wealth barriers to homeownership.

When necessary, HOME funds will be recaptured due to a unit's noncompliance with HOME affordability requirements. Affordability is ensured through a Homebuyer Written Agreement and by a lien filed on the property. To ensure affordability, Minnesota Housing has chosen the recapture provision over the resale option as discussed in HOME Investment Partnerships Program, found in 24 CFR 92.254(a)(5).

Recapture Guidelines: HOME HELP will enforce affordability restrictions by a 0 percent interest rate deferred payment subordinate mortgage that requires repayment of some or all of the HOME assistance if the home is sold or ceases to be the borrower's principal residence. Funds that are repaid during the first five years of the loan are classified as "recapture funds". Amounts that are repaid after the first five years of the loan are program income and not recaptured. The amount that is subject to repayment is reduced from 100 percent to 50 percent of the original amount of assistance after the sixth anniversary of the loan.

The amount that is subject to recapture or repayment at any time during the term of the mortgage is limited to the amount of net proceeds available (sales price minus payment of superior claims against the property and closing costs). Net proceeds are first used to repay downpayment assistance before distributing the balance to the homeowner or other claimants.

Affordable Rental Preservation (ARP)

This is a statewide program that provides deferred loans to help cover financing gaps of rehabilitating or acquiring and rehabilitating qualified affordable rental housing for the purpose of preserving rental subsidies or the affordability of non federally-assisted housing. Assistance will generally be in the form of a 0 percent interest rate, 30 year deferred loan dues and payable at the end of the term. Minnesota Housing provides the loans directly to the owners. While rehabilitation is a priority for Minnesota Housing, a portion of funds allocated to ARP may be redirected to rental new construction, depending on the types of applications received in response to the consolidated RFP and the relative need for new construction or preservation.

<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>HOME HELP requires borrowers to obtain a Minnesota Housing first mortgage from a participating lender, contribute at least \$1,000 of their own funds to the transaction, maintain adequate funds in reserve accounts to finance emergency funding needs, have a debt ratio of less than 50 percent and a credit score of at least 640. HOME HELP also requires at least one borrower per household to complete homebuyer education.</p> <p>ARP is a statewide program that provides deferred loans to help cover financing gaps of rehabilitating or acquiring and rehabilitating permanent affordable rental housing with or without long-term, project-based federal subsidies for the purpose of preserving the subsidies or the affordability of housing without federal subsidies. Properties without federal rent assistance or tax credit properties ending their compliance period must have the support of the Interagency Stabilization Group (ISG), a group of government and philanthropic organizations, at least one member of which has provided funds for the project at least 15 years ago. These “stabilization” projects are required to have a comprehensive stabilization plan approved by the ISG that stabilizes the property’s operations and physical needs for the long term. Assistance will generally be in the form of a 0 percent interest rate, 30 year deferred loan due and payable at the end of the term. Minnesota Housing provides the loans directly to the owners.</p> <p>ARP is primarily provided through the Minnesota Housing Consolidated RFP, which awards assistance from several different sources. Applicants are not required to identify a funding source, other than tax credits. Selected applications and developers are evaluated and offered the best matched funding source. If funding is sufficient, the Agency may offer a portion of the ARP funds on a pipeline basis. Projects are evaluated for financial feasibility; developer capacity and fiscal condition are also considered, and CHDOs receive preference points. All projects are required to obtain approval from the agency's Credit Underwriting committee before being presented to the Minnesota Housing board of directors for approval.</p> <p>While rental rehabilitation is a priority for Minnesota Housing, a portion of funds allocated to ARP may be redirected to rental new construction, depending on the types of applications received in response to the consolidated RFP and the relative need for new construction or preservation.</p>
--	---

<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>n/a see ESG section.</p>
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>Not applicable</p>

<p>Describe how resources will be allocated among funding categories.</p>	<p>Homebuyer assistance: \$3,400,000; Rental Rehabilitation; \$7,380,869; Administration: \$592,222</p>
<p>Describe threshold factors and grant size limits.</p>	<p>Homebuyer assistance: Applicants must be first time homebuyers receiving a Minnesota Housing first mortgage and be income eligible. The maximum loan amount is \$10,000 but subject to change by the Minnesota Housing Board.</p> <p>Rental Rehabilitation: The development must be receiving federal rental assistance, be nearing the end of its tax credit compliance period, or be in need of stabilization and have a stabilization plan approved by the Interagency Stabilization Group, at least one member of which had provided funding to the projects at least 15 years ago. There are no limits on assistance amounts.</p> <p>Rental applications under the Consolidated RFP must meet the threshold requirements specified in the RFP at that time. The most recent threshold requirements were that the project had to meet the six factors of project feasibility, and the applicant had to meet the five factors of organizational capacity. The factors may be found in Chapter 5 of Minnesota Housing's "Multifamily Request for Proposal Guide" for the June 2014 RFP.</p>

	What are the outcome measures expected as a result of the method of distribution?	Numbers of homebuyer households assisted or rental units rehabilitated and preserved.
4	State Program Name:	Minnesota Housing-HOPWA
	Funding Sources:	HOPWA
	Describe the state program addressed by the Method of Distribution.	Grant funds are currently awarded to the Minnesota AIDS Project (MAP), which provides the assistance to low-income persons diagnosed with HIV/AIDS, and their families. MAP is the only HOPWA formula project sponsor in Minnesota outside of the metropolitan area, and works in partnership with over 1,000 volunteers in community and outreach efforts. MAP provides a range of support services for persons with HIV, works to prevent the spread of HIV, and collaborates with a number of community organizations.

<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>With limited funding, renewal of existing grants is a priority.</p>
<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>N/A</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>N/A</p>

Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	<p>Following priorities set by the Minnesota HIV Housing Coalition, which acts as an advisory group to make recommendations for HOPWA funding, renewal funding for ongoing programs receive funding priority. There is a separate renewal process for ongoing HOPWA programs. If funds appropriated exceed the amount necessary to continue those programs at comparable levels, or if priorities change to address changing needs, those funds will be made available in the Minnesota Housing Multifamily Consolidated RFP process for application by all eligible sponsors, including eligible grassroots faith-based and other community-based organizations.</p>
Describe how resources will be allocated among funding categories.	<p>There is only one funding category and all resources are allocated to it.</p>
Describe threshold factors and grant size limits.	<p>With limited funding, renewal of existing grants is a priority.</p>

	What are the outcome measures expected as a result of the method of distribution?	Assisted households remain in their homes.
--	--	--

Table 8 - Distribution Methods by State Program

Discussion

AP-35 Projects – (Optional)

Introduction

Not applicable to state CDBG.

#	Project Name

Table 9 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

AP-38 Project Summary
Project Summary Information

AP-40 Section 108 Loan Guarantee – 91.320(k)(1)(ii)

Will the state help non-entitlement units of general local government to apply for Section 108 loan funds?

No

Available Grant Amounts

N/A

Acceptance process of applications

N/A

AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)

Will the state allow units of general local government to carry out community revitalization strategies?

No

State's Process and Criteria for approving local government revitalization strategies

CDBG-No.

AP-50 Geographic Distribution – 91.320(f)

Description of the geographic areas of the state (including areas of low-income and minority concentration) where assistance will be directed

Formula grant funds from the CDBG, HOME, HOPWA, and ESG programs may be directed to their highest and best use first, within each set of program guidelines, given the funding of all housing and community development programs throughout Minnesota.

Still, the housing and community development needs statewide far exceed the available resources to address them. Therefore, it is necessary to prioritize needs by type of activity and geography in order to ensure the greatest impact with limited resources. Diversity across the state means that different areas have different housing and community development needs that are best addressed through different types of investment activities. Minnesota's experience with these programs shows that these resources are indeed distributed throughout the state. The entire state will be served by HOME , and non-entitlement areas will be served by CDBG and HOPWA funds.

For ESG Shelter funding, the application is open to all areas of the state, but priority is given to applications from the balance of state areas (non-entitlement areas). Within entitlement areas, priority is given to those jurisdictions which have chosen to use their ESG resources for emergency shelter but still demonstrate significant unmet need. For ESG Prevention and Rapid Re-Housing funding, funds will only be awarded to applications from the balance of state areas.

Geographic Distribution

Target Area	Percentage of Funds
SLUM AND BLIGHT COMMERCIAL DISTRICT	20
TARGET AREA HOUSING REHAB	55
CITYWIDE PUBLIC FACILITIES	20
Balance of State	85
Economic Development	5

Table 10 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

Of the amount available for awards, DEED intends to provide SCDP funds in accordance to the following approximate allocations: 30 percent for Single Purpose Applications and 55 percent for Comprehensive Applications. The remaining 15 percent allocation is designated for DEED's federal economic development set-aside. Allocation percentages may be modified by DEED if it determines that there is a shortage of fundable applications in any category. DEED does not distribute funds based on specific geographic area. Applications are competitive in nature. Percentages above are for CDBG only.

The Single Purpose Application is used by a housing project that includes one or more activities designed to increase supply or quality of dwellings suited to the occupancy of the individuals and families or public facilities projects that include one or more activities designed to acquire, construct, reconstruct, or install buildings or infrastructure that serve a neighborhood or community. With the Single Purpose Application, aggregate funding amount cannot exceed \$600,000. Two or more activities cannot exceed \$600,000 in total.

The Comprehensive Application is for projects that include a combination of at least two interrelated activities that are designed to address community development needs that, by their nature, must be carried out in a coordinated manner and/or require a coordination of housing, public facilities, or community development/revitalization activities. These projects must be designed to benefit a defined geographical area. Aggregate funding amount cannot exceed \$1,400,000, and each activity within the application is limited to \$600,000. Economic Development does not allocate geographically.

HOME funds are not allocated geographically because the needs are statewide and the state has chosen to address statewide needs rather than take a targeted approach to specific geographic areas.

HOPWA funds are targeted outside the metropolitan area, as required by federal rules. Since the need for emergency assistance that HOPWA provides is scattered throughout the state, the funds are also available wherever the need is in the federally-mandated target area.

Priority is given to ESG shelter applications from the balance of state areas (non-entitlement areas) in recognition of these areas inability to receive ESG funding directly from HUD. This is the same rationale for limiting prevention and rapid re-housing funding to non-entitlement areas within the state.

Discussion

Slum and blight, target area housing, and city wide public facilities, and economic development are DEED activities and the 100 percent is based on the DEED allocation only. The balance of the state(85) includes funds from Minnesota Housing, and Human Services. We do not geographically allocate funds to any part of the state. This page does not fit with state programs but as usually for entitlements.

Affordable Housing

AP-55 Affordable Housing – 24 CFR 91.320(g)

Introduction

The term affordable housing that is used in 24 CFR 92.252 and 92.254 includes several elements that are not requirements of ESG, HOPWA and CDBG. Therefore, the only units that receive federal assistance that can be assured of meeting the standard of "affordable housing" are HOME units.

One Year Goals for the Number of Households to be Supported	
Homeless	400
Non-Homeless	0
Special-Needs	150
Total	550

Table 11 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	0
Rehab of Existing Units	519
Acquisition of Existing Units	321
Total	840

Table 12 - One Year Goals for Affordable Housing by Support Type

Discussion

HOME: 519 rehabilitated and/or newly constructed rental units. though there are no plans to finance new construction unless and until such a program is authorized by the MHFA Board. 321 homebuyers assisted, listed under acquisition. (numbers in boxes above)

MHFA has adopted purchase price/value limits that are higher than the 2014 HUD limits for the counties of Carver, Dakota, Hennepin, Ramsey, Scott, Sherburne, and Washington. Those limits are described in the Grantee Unique Appendices, AP-26 of this plan.

HOPWA Special Needs: 170 households assisted by HOPWA emergency assistance

AP-60 Public Housing - 24 CFR 91.320(j)

Introduction

Section 91.220 does not apply to states. Information related to this topic can be found at AP-85.

Actions planned during the next year to address the needs to public housing

There are no actions planned.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

There are no actions planned. Section 91.220 does not apply to states.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Section 91.220 does not apply to states.

Discussion

Section 91.220 does not apply to states.

AP-65 Homeless and Other Special Needs Activities – 91.320(h)

Introduction

As stated in the 2012 to 2016 Consolidated Plan, Minnesota's goal for the homeless and special needs populations is: - ensure homeless persons and those at-risk of homelessness are stably rehoused or diverted from shelter as quickly and effectively as possible; - provide safe, adequate emergency shelter for those who have not yet been rehoused or diverted from shelter; - ensure homeless families and individuals transition to stable, long-term housing situations; The specific objectives and strategies for addressing homelessness and non-homeless special needs populations that Minnesota will take over the next five years can be found in the Consolidated Plan, Volume 1. The State will fund homeless prevention, shelter, transitional housing programs and rapid rehousing programs to move people from homelessness(or at risk of homelessness) to permanent housing, stable housing. The state will do this using state-appropriated Family Homeless Prevention and Assistance Program, Emergency Services Program, and Transitional Housing Program funding in addition to Emergency Solutions Grant Program and Emergency Food and Shelter Program funding from the federal government. Non-homeless special needs populations in the state include the elderly and frail elderly, persons living with disabilities, persons with alcohol or other drug addiction, victims of domestic violence, persons living with HIV and their families, persons recently released from prison, and veterans. These populations are not homeless but are at the risk of becoming homeless and therefore often require housing and service programs. The needs of special populations are relative to the programs currently provided. More information regarding the State's commitment to ending homelessness is in the Homelessness Prevention Funds section of this plan

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

There were approximately 3,681 unsheltered persons who were turned away from shelter and transitional housing or placed on a wait list in 2012. The State of Minnesota will provide funding to a number of shelters and transitional housing programs across the state with the state and federal funding that has been made available to it. Many of these programs will provide outreach to the unsheltered homeless population. Unfortunately, the amount of resources available through these state and federal programs is not sufficient to meet the needs of all homeless persons in Minnesota. The State of Minnesota is working in collaboration with the Continuum of Care Committees to develop Coordinated assessment systems in all areas of the state.

Addressing the emergency shelter and transitional housing needs of homeless persons

The State of Minnesota will use the resources available to it to provide funding to shelters and

transitional housing programs across the state. On a given night, approximately 3,700 persons are staying in emergency shelters in Minnesota and approximately 3,300 persons are staying in transitional housing. The goal for the 2014 year, assuming that no new resources will become available, is to continue to support these capacities at current levels.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

Since the creation of the Prevention and Rehousing component of the Emergency Solutions Grant Program in FFY 2011, the State of Minnesota has had another tool to assist homeless persons to move from homelessness to permanent housing. Emergency Solutions Grant Program funds will be targeted to provide prevention and rehousing assistance and services to families, individuals and youth, many of whom are veterans and some of which are chronically homeless, to move these households from homelessness to housing. In 2014, the State's sub-recipient hopes to assist 229 households who are either doubled-up (at-risk) or in shelter (rapid re-housing) to move to permanent housing. By targeting these funds to persons that currently reside in shelters (or who would not be for this assistance), the length of time these households are homeless will be reduced. With the provision of supportive services to the rapid rehousing participants, it is expected that permanent housing retention will be improved.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

In Minnesota, the state legislature appropriates over 8 million dollars per year under the Family Homeless Prevention and Assistance Program which is used mostly for homelessness prevention activities. These funds are available in all 87 Minnesota counties. The Minnesota Department of Corrections hosts Transitional Fairs at all of the state run correctional facilities. CoC coordinators and state homeless program staff have been active in attending these resource fairs during which they provide information and referrals to inmates who are being released into the community. State staff and CoC's will attend 100% of these transition fairs in 2013. The Department of corrections also has a small pilot program through which they are able to provide transitional housing to persons leaving state run correctional facilities. This program will assist approximately 200 persons leaving state run correctional facilities.

Discussion

AP-70 HOPWA Goals – 91.320(k)(4)

One year goals for the number of households to be provided housing through the use of HOPWA for:	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	170
Tenant-based rental assistance	0
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	0
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	0
Total	170

AP-75 Barriers to affordable housing – 91.320(i)

Introduction

The State's programs are heavily weighted toward reducing the financial barriers to affordable housing, but the State recognizes that there are non-financial policy barriers to affordable housing as well.

The State does not have control over local land use controls, zoning, permitting, or growth policies; but it can, and does, provide incentives in Minnesota Housing's Consolidated Request for Proposals, which DEED also participates in, to alleviate the barriers to affordable housing those local policies may impose. Actions the State has taken in its Consolidated RFP in the past to reduce regulatory and policy barriers and will likely continue are described below.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

Minnesota Housing's Consolidated Request for Proposals:

1. reduces the barrier of local land use and development policies by prioritizing developments that use land efficiently and minimize the loss of agricultural land and green space,
2. reduces barriers of zoning by prioritizing developments that address the needs of the underserved populations of households of color, single-headed households with minor children, and disabled individuals; developments that are located near jobs, transportation, recreation, retail services, schools, and social and other services; and developments that promote economic integration by providing housing opportunities for households with a wide range of incomes within a community and the proposed housing,
3. reduces barriers of local application and permit processes by prioritizing developments for which costs are reduced or avoided by regulatory changes, incentives, or waivers by the local governing body, including fast-track permitting and approvals, flexibility in site development standards and zoning requirements, and waiver of permit or impact fees.

In addition, the State fully supports efforts to reduce NIMBYism, prejudice, and negative attitudes toward affordable and multifamily housing, and will encourage planning decisions by CDBG sub-recipient communities that work to decrease segregation and increase integration of populations. The State will also fully support civic leaders and developers who undertake education in communities statewide. Such education could be targeted, timely, and, in the context of a possible development, relevant to potentially affected citizens.

Discussion

The State is in the process of developing its Consolidated RFP for 2014 and expects that the priorities in the 2013 RFP will carry forward to 2014, as they are important policy objectives of the State.

AP-85 Other Actions – 91.320(j)

Introduction

The following sections discuss other actions the state is currently conducting.

Actions planned to address obstacles to meeting underserved needs

See below.

Actions planned to foster and maintain affordable housing

The State has acted to reduce the effects of its tax policies by reducing the tax rate on affordable rental units. Minnesota Housing will continue to give preference points in its RFPs to projects for which concessions are given by local units of government to enhance the affordability of the project. The Low Income Housing Tax Credit Program (LIHTC) is available to owners and investors of affordable rental housing for low-income households to help finance development. The State will mitigate the effects of zoning, land use, and impact fee barriers by giving preference points in its selection process to LIHTC projects that rehabilitate existing housing and to new construction projects that use existing sewer and water lines without substantial extensions. The 2012 Minnesota Legislature appropriated \$5.5 million if General obligation bond proceeds to Minnesota Housing for the purpose of public housing preservation. Troubled PHAs are not eligible to receive these funds. Preference points are also awarded for LIHTC projects for which development-specific assessments or infrastructure costs are donated or waived or that have been approved for reduced setbacks, reduced parking requirements, decreased road widths, flexibility in site development standards and zoning code and other requirements, preservation of affordable housing, WAC/SAC reductions or fast-track permitting and approvals.

Actions planned to reduce lead-based paint hazards

Exposure to lead-based paint is one of the most significant environmental threats posed to homeowners and renters. Housing units built before 1940 are most likely to contain lead-based paint. Units built between 1940 and 1978 have a lesser risk (lead was removed from household paint after 1978), although many older units may have few if any problems depending on construction methods, renovation, and other factors. The Environmental Health Division of MDH oversees a comprehensive lead program that includes testing, state-wide medical monitoring, health care, elevated blood investigations, compliance assistance, compliance assurance, and environmental remediation of identified lead hazards. The program is largely funded by federal dollars (HUD and EPA), with additional funding provided by the state's general fund. For more information see: www.health.state.mn.us/divs/eh/lead/index.html

See unique appendices for additional information.

Actions planned to reduce the number of poverty-level families

In Minnesota, there is a statewide network of Community Action Agencies (CAAs) and tribal

governments with a common purpose: fighting poverty and its effects in Minnesota communities. The goals of these agencies are to better focus available local, state, private, and federal resources to assist low-income individuals and families to acquire useful skills and knowledge, gain access to new opportunities, and achieve economic self-sufficiency. Each agency assesses needs, establishes priorities, determines strategies to respond to local poverty issues, and delivers a broad range of services and activities to strengthen self-reliance.

The specific programs delivered by the CAAs and tribal governments include:

- Energy Assistance: Provides financial assistance toward energy bills for low-income households;
- Weatherization: Offers weatherization of homes of low-income households to reduce heat loss and increase heating efficiency;
- Financial Literacy programming: Includes Family Assets for Independence in Minnesota, a program which matches low-income households' income with state, federal, and private funding for the purpose of buying a home, furthering education, or starting a business. Other forms of financial literacy programming include tax preparation assistance, budget counseling, and general financial education;
- Food Shelves and various nutrition programs: Provides food for households experiencing emergencies through the network of locally run foodshelves;
- Head Start: Assists low-income families break the cycle of poverty by improving the health and social competence of children up to age 5 and pregnant women and by promoting economic self-sufficiency for parents;
- Homeless Programs: Provides assistance to households or individuals who are at-risk of being homeless, who are currently homeless, or who were previously homeless and are receiving follow-up services;

- Housing Construction, Rehabilitation, and Assistance: Develops long-term low-income housing, including the rehabilitation of unoccupied housing and the provision of rental housing assistance;

Actions planned to develop institutional structure

The delivery of affordable housing programs authorized by the federal government and Minnesota state legislature is centralized in Minnesota Housing. DEED is the primary administrator and provider of CDBG funds in non-entitlement areas of the state. Minnesota Housing and DHS share the delivery of supportive housing programs for persons experiencing homelessness. DHS is primarily responsible for the delivery of supportive services for persons with special needs because many persons DHS serves are homeless.

Affordable housing assistance in Minnesota depends upon a large network of local lenders, housing authorities, community action agencies, nonprofit and faith-based organizations, homeowner educators and counselors, and local governments throughout the state. The State relies on these entities to administer a number of affordable and supportive housing programs, to identify housing needs at the local level, and to encourage the development of affordable housing.

Recognizing the need to increase both the accessibility and effectiveness of assistance programs for low- and very low-income people, Minnesota Housing has worked to increase the participation of local nonprofits and other nontraditional lenders in delivering its programs. These nontraditional participants provide a greater opportunity to coordinate the delivery of assistance and to better target funds to people with the greatest need.

The State does not have any plans for developing new institutional structures but will continue to participate in the various structures currently in place, supporting the Minnesota Chapter of the National Association of Housing and Redevelopment Officials (NAHRO)'s conferences and the Working Together conference. Minnesota Housing coordinates its RFP selections with other funding partners, including DEED. DEED's CDBG grantees coordinate CDBG funding with Minnesota Housing, Greater Minnesota Housing Fund, DHS, Rural Development, Department of Health, and Weatherization funding. DHS will continue to participate in the various structures currently in place. The State hosts the Minnesota Interagency Council on Homelessness (MICH), through which all state agencies involved in the provision of services to homeless persons meets monthly. Members of the MICH are assigned to all Continuum of Care committees and Family Homeless Prevention and Assistance Program advisory committees to provide technical assistance and attend meetings of these groups. The State also hosts the Interagency Stabilization Group as well as the Greater Minnesota Preservation Work Group and the

Stewardship Council to ensure coordination of funding resources.

The State participates in a number of standing meetings with representatives from local government, nonprofit, and private providers of housing and homelessness services

Actions planned to enhance coordination between public and private housing and social service agencies

The delivery of affordable housing programs authorized by the federal government and Minnesota state legislature is centralized in Minnesota Housing. DEED is the primary administrator and provider of CDBG funds in non-entitlement areas of the state. Minnesota Housing and DHS share the delivery of supportive housing programs for persons experiencing homelessness. DHS is primarily responsible for the delivery of supportive services for persons with special needs because many persons DHS serves are homeless.

Affordable housing assistance in Minnesota depends upon a large network of local lenders, housing authorities, community action agencies, nonprofit and faith-based organizations, homeowner educators and counselors, and local governments throughout the state. The State relies on these entities to administer a number of affordable and supportive housing programs, to identify housing needs at the local level, and to encourage the development of affordable housing.

Recognizing the need to increase both the accessibility and effectiveness of assistance programs for low- and very low-income people, Minnesota Housing has worked to increase the participation of local nonprofits and other nontraditional lenders in delivering its programs. These nontraditional participants provide a greater opportunity to coordinate the delivery of assistance and to better target funds to people with the greatest need.

The State does not have any plans for developing new institutional structures but will continue to participate in the various structures currently in place, supporting the Minnesota Chapter of the National Association of Housing and Redevelopment Officials (NAHRO)'s conferences and the Working Together conference. Minnesota Housing coordinates its RFP selections with other funding partners, including DEED. DEED's CDBG grantees coordinate CDBG funding with Minnesota Housing, Greater Minnesota Housing Fund, DHS, Rural Development, Department of Health, and Weatherization funding. DHS will continue to participate in the various structures currently in place. The State hosts

the Minnesota Interagency Council on Homelessness (MICH), through which all state agencies involved in the provision of services to homeless persons meets monthly. Members of the MICH are assigned to all Continuum of Care committees and Family Homeless Prevention and Assistance Program advisory committees to provide technical assistance and attend meetings of these groups. The State also hosts the Interagency Stabilization Group as well as the Greater Minnesota Preservation Work Group and the Stewardship Council to ensure coordination of funding resources.

The State participates in a number of standing meetings with representatives from local government, nonprofit, and private providers of housing and homelessness services.

The state does not have plans to provide financial assistance to troubled PHAs. Troubled and other PHAs are invited to participate in the "Working Together" conference to receive training on topics relevant to their operations. Because the state is not a public housing owner, it does not have plans to encourage residents to become more involved in management of public housing or have a specific outreach plan to public housing residents to encourage homeownership. Public housing residents are eligible to apply for homeownership assistance and receive the same outreach as other potential first-time homebuyers.

Discussion

Program Specific Requirements

AP-90 Program Specific Requirements – 91.320(k)(1,2,3)

Introduction

CDBG:Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan. The year of 2014.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.320(k)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	300,000
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	500,000
5. The amount of income from float-funded activities	0
Total Program Income:	800,000

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income.Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	70.00%

HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.320(k)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

None

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

HOME Homeowner Entry Loan Program (HOME HELP) Recapture Guidelines: HOME HELP will enforce affordability restrictions by a written agreement with the homebuyer and a 0 percent interest rate deferred payment loan note and subordinate mortgage that requires repayment of some or all of the HOME assistance if the home is sold or ceases to be the borrower's principal residence. The amount that is subject to repayment is reduced from 100 percent to 50 percent of the original amount of assistance after the sixth anniversary of the loan.

The amount that is subject to repayment at any time during the term of the mortgage is limited to the amount of net proceeds available (sales price minus payment of superior claims against the property and closing costs). Net proceeds are first used to repay downpayment assistance before distributing the balance to the homeowner or other claimants.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

See 2 above

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

There are no plans for using HOME to refinance existing debt.

Emergency Solutions Grant (ESG)
Reference 24 CFR 91.320(k)(3)

1. Include written standards for providing ESG assistance (may include as attachment)

All sub-recipients of ESG funding have been required by DHS to establish written standards for the

provision of emergency shelter, homelessness prevention and rapid rehousing assistance to homeless persons. The State will not be developing statewide written standards due to the complex needs and characteristics of the 87 counties in which ESG assistance is provided.

DHS has developed a monitoring tool based on the requirements found in 576.400(e)(3) and is conducting reviews of each sub-recipient's Written Standards during the annual monitoring cycle to ensure that they adequately include the elements broadly outlined in 576.400(e)(3). During the monitoring visit, DHS staff will also ensure that the ESG sub-recipients Written Standards are in accordance with the local Continuum of Care's plans for Coordinated Assessment.

DHS has provided guidance on required standards for prevention and rapid re-housing providers (evaluating eligibility, prioritizing assistance, determining type, amount and length of assistance) in the June 2013 Application Package.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

DHS funds ESG projects in all ten Minnesota CoCs Each Continuum of Care region is in a different phase of planning and implementation of Coordinated Assessment, and it is therefore impossible to summarize the characteristics or status of each CoC. Two CoCs (West Central and Ramsey) have chosen to pilot a coordinated assessment system, and ESG sub-recipients in the area are actively participating in this system.

In addition, with the recent release of CoC regulations, the MN Interagency Council on Homelessness (MICH) has convened a working group to advise and assist in the consistent and timely development of coordinated assessment systems throughout the State. ESG sub-recipients are participating in these planning session, and DHS has informed them that they are required to participate in any coordinated system developed for their CoC.

The State will play an active role in ensuring these systems meet both the requirements and intent of the new HUD regulations, and will describe these assessment system(s) in future ESG Action Plans. The State will also ensure that ESG sub-recipients are involved in this coordinated assessment to the maximum extent practicable, and that such participation requirements do not unintentionally prevent or discourage the most vulnerable homeless populations from receiving the outreach and emergency shelter they urgently need.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

ESG funds are awarded as part of a funding allocation process that combined the grant with available money from three state-funded programs: the Emergency Services Program (ESP), the Runaway Homeless Youth Act (RHYA), and the Transitional Housing Program (THP).

The application process for ESG funding is open to programs from all areas of the state. Priority will be given to shelter applications from the balance of State areas (non-entitlement areas), and funds for homelessness prevention and rapid re-housing activities will only be awarded to balance of state areas who do not receive their own ESG allocation.

The allocation of funding to specific programs is based on the overall quality of responses to the evaluation criteria and in accordance with regional and local priorities, as established by each Continuum of Care (CoC) committee. Eligible organizations include local government, nonprofit, community, and faith-based organizations such as shelters, transitional housing programs, and emergency service providers.

Requests For Proposals (RFPs) are sent to all current Office of Economic Opportunity homeless programs grantees, all Continuum of Care Committees throughout the state, and all other interested parties who have contacted OEO during the course of the year and expressed interest in the homeless program funding. DHS also publishes the RFP in the State Register and posts the RFP on the DHS website.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

All jurisdictions intend to meet the homeless participation requirement in 24 CFR 576.405 (a).

5. Describe performance standards for evaluating ESG.

The State has initiated several meetings with CoC representatives from within the balance of state to discuss and solicit input for our preliminary ESG performance standards and goals, particularly for the relatively new homelessness prevention and rapid re-housing activities. The initial set of outcomes for these ESG-funded activities are described in the Outcomes Measures and Performance Standards section of this Plan.

The State recognizes that the performance of ESG projects, particularly ESG homelessness prevention and rapid re-housing activities, will affect the performance of the CoC region as a whole. For this reason, the State will continue to engage CoC representatives (particularly after CoC performance standards are published in more detail) about the ways in which individual ESG project outcomes can contribute to the success of the CoC as a whole.

In the meantime, the State has implemented a process by which the outcomes of ESG-funded programs (documented in semi-annual and annual HMIS reports) are sent to each CoC Coordinator for their information and review.

For the current Action Plan Year, the following performance standards will be used for evaluating each FY2014 ESG-funded activity:

Emergency Shelter:

of individuals in households receiving safe, adequate emergency shelter.

Prevention (Re-Housing)/Rapid Re-Housing:

of individuals in households who are stably re-housed.

of individuals in households who remain stably housed at program exit.

In addition to these performance standards, on-going evaluation of ESG sub-recipient performance occurs through DHS Grantee Assessment Tool (Risk Analysis) and its bi-annual monitoring process. This monitoring process places a heavy emphasis on program performance and effectiveness as well as ensuring sub-recipients have the technical assistance they need to be successful.

ESG Monitoring is described in more detail in the following attachment uploaded below: ESG Monitoring. The State will continue to share the outcomes of its monitoring visits with Continuum of Care Coordinators when there are relevant performance issues identified, and seek mutual problem-solving and assistance from CoC committees when appropriate.

Economic Development

Economic Development

Applications for economic development funding through the Minnesota Investment Fund may be submitted and approved throughout the application year or until the funds reserved have been exhausted. Applications are accepted for projects that will be started in a reasonable period of time i.e. "shovel ready".

Economic Development Criteria: Criteria for the economic development portion of SCDP funds is structured to ensure funds are targeted to companies that:

- Provide jobs to the low and moderate income populace
- Stimulate private capital investment
- Generate an increase in local tax base
- Provide improved employment and economic opportunity for

Minnesota

citizens to create a reasonable standard of living

- Meet a financial need
- Satisfy general accepted standards for financial feasibility,
- If appropriate, reduce excessive infrastructure costs which are beyond the means of the community and the private participants
- Meet acceptable lending standards
- “Favor” communities that experience greater economic distress i.e. higher unemployment and/or lower income levels compared to State averages.

CDBG Administrative Funds

Up to 5 percent of CDBG administrative funds are used to pay DEED staff and other administrative costs associated with the program. Unused administration dollars are allocated to future awarded projects.

AP-90 PROGRAM SPECIFIC REQUIREMENTS: ESG MONITORING

Bi-annually, the DHS Office of Economic Opportunity (OEO) staff reviews all ESG grantees using a Grantee Assessment Tool (GAT) based on the HUD risk analysis tool. The tool has three broad areas of analysis:

1. General agency information, including such factors as Executive/Fiscal Director turnover, unresolved monitoring findings, agency systems and board function;
2. Program Operations, including compliance and reporting issues, partnerships and linkages and the quality of programming based on monitoring; and
3. Fiscal operations, including audit findings, unresolved fiscal problems, fiscal systems and procedures, program deficits, and accurate reporting.

The Grantee Assessment Tool (GAT) allows DHS to determine if a grantee needs immediate attention or can receive on-site monitoring as a part of the regular bi-annual rotation. In either case, the focus of the monitoring will include any risk areas highlighted by the risk analysis tool. The regular monitoring rotation ensures that grantees are monitored at least once during every grant cycle.

Grantee concerns, whether identified through the GAT process, risk analysis, or via a monitoring visit, are addressed in a timely manner. Some issues must be addressed immediately, while others are dealt with over time.

The on-site monitoring tool looks at the overall agency capacity and systems in place to deliver services determined through a guided discussion with program managers and direct service staff. This includes an overview of the strengths and challenges facing the community and participants, coordination and collaboration efforts, major staff or board changes, information systems, outcomes, fiscal systems, supportive service referral, and board function. A random selection of participant files is reviewed for specific documentation on homelessness, data privacy, disability status, case management, follow-up and supportive services. There is a verification of timeliness of grant expenditures and of homeless participation in policies and project development, ensuring that the expected number of participants is being served.

Desk monitoring, including monthly fiscal reporting, is provided throughout the grant period and consists of open communication and joint problem solving with grantees, analysis of monthly fiscal reports, annual audits, and required program reports.

Grantees receive a written monitoring report after the visit. Issues such as late reporting must be corrected immediately. Capacity building occurs as the field representative provides assistance to the grantee during the year. Program staff work collaboratively with monitoring staff to develop the new monitoring instrument, which is reviewed and updated regularly.

DHS conducts a customer satisfaction survey to secure input for program improvement and development. Training and grantee meetings are held periodically as needed. The work plan, customer satisfaction survey, on-going open communication, and training events provide grantees with a variety of opportunities throughout the grant period to ask questions and provide feedback.

ESG MONITORING

SCDP Program Specific-page 3

Economic Development-Monitoring of economic development projects uses the same process as those established through the state of Minnesota's CDBG competitive program. The annual report asks for a list of the person receiving the assistance, the nature of the assistance provided; the name of the technical assistance provider, the cost of the assistance, the outcome of that assistance including in terms of number of businesses started up or expanded, the number of people employed and jobs created, information regarding any financial assistance secured as part of the business start or expansion, and the DUNS number where applicable.

AP-30 Method of Distribution - 91.320(d)&(k)

ESG Funding

ESG Funding covered by this Action Plan is distributed in a competitive funding opportunity. The results of this funding process is reflected in the priorities and specific objectives outlined in State's 2014 Annual Action Plan Table of Objectives and Outcomes.

ESG funds are awarded and distributed for emergency shelter, prevention and rapid re-housing. This competitive funding opportunity addresses three of the State's priority objectives for ESG funding:

SL-1.1 Provide safe, adequate emergency shelter for those who have not yet been re-housed or diverted from shelter.

SL-1.1 Stably rehouse homeless persons and those at-risk of homelessness

SL-1.1 Ensure homeless families and individuals transition to stable, long-term housing situations.

Following are the criteria used for distributing ESG funding for emergency shelter, prevention and rapid re-housing:

Threshold Criteria (must be met to be considered for funding)	<ul style="list-style-type: none"> Electronic and hard-copy application received by deadline Complete application submitted
Scored Criteria	Program Capacity (18 points) <ul style="list-style-type: none"> Financial & Administrative Capacity Level of demonstrated collaboration Need for program and funding
	Program Design (25 points) <i>Emergency Shelter & Services:</i> <i>Tenant-based Re-housing</i> <ul style="list-style-type: none"> Accessibility of services Appropriate services for program model Cost-effective program Adherence to Best Practices (Appendix II) Appropriate outcomes for target population
	Program Revenue & Budget (7 points) <ul style="list-style-type: none"> Detailed revenue sources Reasonableness of budget Descriptive/complete budget narrative
Other Criteria	<ul style="list-style-type: none"> Geographic location
	<ul style="list-style-type: none"> Previous performance including monitoring and reporting

AP-30 Method of Distribution of ESG Funds

Annual Action Plan
2014

76

MONITORING

Rental Programs

Minnesota Housing monitors HOME-assisted rental properties for compliance by requiring owners to submit tenant income and rent information for annual review for compliance with HOME regulations. Minnesota Housing Multifamily Division staff physically inspect each property at least as frequently as required by 24 CFR §92.504(d) for compliance with property standard, to verify the accuracy of information owners submitted regarding tenant incomes and rents and to verify continued eligibility of a HOME-eligible lease form.

Minnesota Housing provides its Multifamily HOME Programs Compliance Manual to owners and management agents of HOME-assisted rental properties. The manual covers all HOME compliance issues, including leases, rents, incomes, maintaining unit mix, affirmative marketing, and property standards.

Minnesota Housing has a compliance monitoring system for tracking required submissions from owners, instances of non-compliance, and reporting on whether compliance is achieved. The system is automated with pre-determined times for follow-up reminders to staff to complete identified tasks and jobs according to the required schedule, report to managers when internal standards for correcting non-compliance are not met, and send automatic notices to owners and property managers when non-compliance is identified.

Downpayment Assistance

Minnesota Housing monitors compliance in its HOME HELP program by reviewing each downpayment assistance file for eligibility before funding it and annually reviewing the performance of each lender that originates the loans. Results of each lender review are shared with the lender both verbally and in writing. Areas requiring improvement and strategies for performance improvement are discussed with the lender.

Agency staff will monitor the work of each of its contract inspectors by re-inspecting a sample of their homes. The size of the re-inspection sample for each contract inspector will depend on the outcome of re-inspections previously conducted. In addition to this re-inspection protocol, each inspection is reviewed by Agency staff to ensure that visual assessments of paint are conducted for properties that are built before 1978, if paint stabilization is required a clearance examination demonstrates clearance, and items identified as deficient in the initial inspection are indicated as corrected in the follow-up inspection report. This review is completed before HOME funds are committed and disbursed.

HOPWA

For HOPWA capital projects, monitoring consists of the owner's annual submission of a Deferred Loan Owner Certification and Characteristics of Tenant Household Report as well as property inspections per the Board-approved inspection cycle, unless the owner has compliance issues that require more frequent inspections.

Inspection includes a physical inspection of the property, tenant file review to confirm eligibility, and HOPWA Development Review using the checklist that covers:

- Any service plans that are in place,
- To what degree HOPWA residents received the services offered to them,
- If any adverse actions have been taken against residents since the last HOPWA review,
- Evidence of due process that was provided, for any residents who were terminated from the program, and
- Compliance with audit and record retention requirements.

Monitoring of emergency rent and mortgage assistance includes:

1. Monthly review of administrative budget, production, and utilization of funding;
2. Evidence that the grantee is collecting appropriate demographic data; and
3. Biennial site visits to the grantee to review the following:
 - Policies and procedures,
 - Compliance with audit and data practices requirements,
 - Documentation of compliance with time limits for assistance,
 - Documentation of all aspects of tenant eligibility,
 - Documentation that each participant was provided an opportunity to receive case management services, and
 - Source documentation of rental, mortgage, or utility expense.

ESG Interim Regulations: Written Standards

DHS-OEO Sub-Recipient Monitoring Tool

This information can be located in **Part 576 Emergency Solutions Grant Program Interim Rule** Handout

- Subpart E—Program Requirements
- Section 576.400 Area-wide coordination requirements, letter (e) *Written standards for providing ESG Assistance* (p. 75985)

“If the recipient is a state, the recipient must establish consistently apply, or require, that its sub-recipients establish and consistently apply, written standards for providing ESG Assistance....At a minimum, these standards must include...”

HOW DOES THE ESG SUBRECIPIENT MEET THE FOLLOWING REQUIREMENTS FOR WRITTEN STANDARDS:

1. Eligibility (EMERGENCY SHELTER and RE-HOUSING PROGRAMS):

Standard policies and procedures for evaluating individuals' and families' eligibility for assistance under Emergency Solutions Grant (ESG)

2. Admission, Diversion, Referral and Discharge (EMERGENCY SHELTER):

Policies and procedures for:

- a. Admission
- b. Diversion
- c. Referral
- d. Discharge by emergency shelters assisted under ESG, including standards regarding...
 - i. length of stay, if any, and safeguards to meet the safety and shelter needs of special populations, e.g.,
 1. victims of domestic violence, dating violence, sexual assault, and stalking
 2. individuals and families who have the highest barriers to housing and are likely to be homeless the longest

3. Assessing and Prioritizing (EMERGENCY SHELTER):

Policies and procedures for assessing, prioritizing, and reassessing individuals' and families' needs for essential services related to emergency shelter

ESG Interim Regulations: Written Standards

DHS-OEO Sub-Recipient Monitoring Tool

4. Coordination: (EMERGENCY SHELTER and RE-HOUSING PROGRAMS)

Policies and procedures for:

- coordination among emergency shelter providers, essential services providers, homelessness prevention, and rapid re-housing assistance providers;
- other homeless assistance providers; and,
- mainstream service and housing providers (see Sec. 576.400(b) and (c) for a list of programs with which ESG-funded activities must be coordinated and integrated to the maximum extent practicable)

5. Determination and Prioritization: (RE-HOUSING PROGRAMS)

Policies and procedures for determining and prioritizing which eligible families and individuals will receive homelessness prevention assistance and which eligible families and individuals will receive rapid re-housing assistance.

6. Rent and Utility Payments (RE-HOUSING PROGRAMS):

Standards for determining what percentage or amount of rent and utilities costs each program participant must pay while receiving homelessness prevention or rapid re-housing assistance

7. Length and Amount of Support (Rental Assistance) (RE-HOUSING PROGRAMS)

Standards for determining how long a particular program participant will be provided with rental assistance and whether and how the amount of that assistance will be adjusted over time.

8. Type, Amount, and Duration (Housing Stabilization and/or Relocation): (RE-HOUSING PROGRAMS)

Standards for determining:

- The type, amount, and duration of housing stabilization and/or relocation services to provide to a program participant
- Including the limits, if any, on the homelessness prevention or rapid re-housing assistance that each program participant may receive, such as the
 - maximum amount of assistance
 - maximum number of months the program participant receive assistance; or
 - the maximum number of times the program participant may receive assistance.

Page | 2

Discussion

The pages downloaded as a JPEG(uploaded image) do not view in entirety. See AP30 Method of Distributio as an example. This system is very difficult to attach things to. The add text boxes are limited on the number of characters so you have to create several text docs to get all the information covered and it does not allow you to paste text from another document, you have to type everything. Most times when you save the text box it goes to a white screen and kicks you out of the system. Spent too much time trying to attach or put text in this section. See Unique appendicies for additional readable attachments.

Unique Appendices

APPENDIX A: CITIZEN PARTICIPATION PLAN

STATE OF MINNESOTA CITIZEN PARTICIPATION PLAN

Consolidated Plan for Housing and Community Development

INTRODUCTION

In 1994, the U.S. Department of Housing and Urban Development issued new rules consolidating the planning, application, reporting and citizen participation processes of four formula grant programs: Community Development Block Grants (CDBG), Home Investment Partnerships (HOME), Emergency Shelter Grants (ESG) and Housing Opportunities for Persons with AIDS (HOPWA). The new single-planning process was intended to more comprehensively fulfill three basic goals: to provide decent housing, to provide a suitable living environment and to expand economic opportunities.

Provision of decent housing may involve assisting homeless persons in obtaining appropriate housing, retaining the affordable housing stock, increasing the availability of permanent affordable housing for low-income households without discrimination or increasing supportive housing to assist persons with special needs. Providing a suitable living environment might entail improving the safety and livability of neighborhoods, including the provision of adequate public facilities; deconcentrating housing opportunities and revitalizing neighborhoods; restoring and preserving natural and physical features with historic, architectural, and aesthetic value; and conserving energy resources. Expanding economic opportunities can involve creation of accessible jobs, providing access resources for community development, and assisting low-income persons in achieving self-sufficiency.

The Consolidated Plan is actually a three-part planning process required by HUD. It comprises developing a five-year strategic plan, preparing annual action plans and submitting annual performance reports. These three parts are intended to furnish the framework whereby Minnesota can identify its housing, homeless, community, and economic development needs, identify resources that will be tapped and actions to be taken that will address the needs, as well as look back and evaluate the State's progress toward achieving its strategic goals. Completing these documents on time and in a manner that is acceptable to HUD ensures program funding.

The precursor to the Consolidated Plan is the Citizen Participation Plan (CPP). The objectives of the CPP are to ensure that the citizens of Minnesota, particularly persons of low and moderate income, persons living in slum and blight areas, units of local government, housing agencies and other interested parties, are provided with the opportunity to participate in the planning and preparation of the Consolidated Plan, including amendments to the Consolidated Plan and the Annual Performance Report. In doing so, the CPP sets forth general policies and procedures for implementing and carrying out the Consolidated Planning Process, such as how the Consolidated Plan will be developed, dates and milestones along which the process will proceed, and methods for citizens to offer the State assistance and guidance in the formulation of the Plan. Furthermore, the provisions of the CPP fulfill statutory and regulatory requirements for citizen participation specified in the U.S. Department of Housing and Urban Development's rules for the

Consolidated Plan, the HOME, CDBG, ESG and HOPWA programs. In Minnesota, the participation process will be developed and monitored by a Consolidated Plan Coordinating Committee consisting of representatives from the Department of Employment and Economic Development (DEED), the Minnesota Housing Finance Agency (Minnesota Housing), and the Minnesota Department of Human Services (DHS).

PURPOSE OF THE CITIZEN PARTICIPATION PLAN

In order to ensure maximum participation in the Consolidated Plan process among all populations and needs groups, and in order to ensure that their issues and concerns are adequately addressed, the State of Minnesota will follow the standards set forth in this Citizen Participation Plan during development of its Consolidated Plan.

The Citizen Participation Plan also provides citizens an opportunity to evaluate and comment on the State's performance, as reported in the Consolidated Annual Performance and Evaluation Report (CAPER).

RELEVANT AREAS

The term "entitlement areas" refers to cities and counties that qualify to receive one or more formula grants. These areas must complete a Consolidated Plan separately from the State's to receive funding. For purposes of this Citizen Participation Plan, "non-entitlement" refers to cities and towns that do not file Consolidated Plans individually or as part of a consortium and are not eligible to receive formula funding from HUD directly. Entitlement areas include: the cities of Bloomington, Coon Rapids, Duluth, Eden Prairie, Mankato, Minneapolis, Minnetonka, Fargo/Moorhead, North Mankato, Plymouth, Rochester, St. Cloud, St. Paul, Woodbury, and the counties of Hennepin, Anoka, Dakota, Ramsey, Washington, St. Louis, Cook, Koochiching, Lake and Itasca. Individuals wishing to contribute to the Consolidated Planning process in these areas should contact housing and community development specialists in these cities/counties.

ENCOURAGING CITIZEN INVOLVEMENT

PUBLIC NOTICE AND OUTREACH

An informed citizenry is critical to effective and responsive housing and community development programs. Efforts to educate residents and empower participation are an ongoing element of the Consolidated Planning process.

As the fundamental means of notifying interested citizens about the Consolidated Plan and related activities, such as the Annual Action Plan or the Consolidated Annual Performance and Evaluation Report, the State will utilize display advertisement notices in newspapers of general circulation. Such notices will be published at least 14 calendar days prior to public hearings. All notices will be written in plain, simple language and will direct efforts will be undertaken to publish and/or post information at locations that will elicit maximum low- and moderate-income and minority participation.

Public education and outreach will be facilitated through the use of public advertisements that describe the Consolidated Planning process, opportunities for citizen participation and available funding through the CDBG, ESG, HOME and HOPWA programs. The State's Consolidated Plan mailing list will likely include social service organizations, local jurisdictions, low-income housing consumers, neighborhood groups, previous participants and commentators, and others expected to desire input on the Plan.

The Consolidated Plan will offer many other opportunities for citizen participation. The State will particularly encourage participation of persons with special needs and/or persons who are often underrepresented in public process (low-income, persons of color, non-English speaking persons, persons with disabilities, persons who are homeless). The State will also encourage the participation of statewide and regional institutions and organizations that are involved or affected by the formula grants in the process of developing and implementing the Consolidated Plan. Participation will be solicited and encouraged through the following activities:

PUBLIC HEARINGS AND INPUT MEETINGS

At least two public input meetings will be held before the publication of the final Consolidated Plan. The primary purpose of the first public hearing is to gather citizen input on housing and community development needs and the proposed Consolidated Plan before it is published for comment. The second public hearing will be held during the Consolidated Plan 30-day public comment period and will be for review and comment on the Consolidated Plan draft. The public hearings will be announced at least two weeks prior to being held. Announcements may be made through DEED and Minnesota Housing websites and at least one newspaper of statewide circulation.

The public hearings will take place in locations identified in the announcement of the public hearings that are accessible to persons with disabilities. The dates, times and locations for public hearings will be convenient to potential and actual beneficiaries. Non-English speaking persons and those with disabilities will be encouraged to attend. Where a significant number of non-English speaking residents are expected to participate, the State will provide translators when notified of this need prior to the public meetings. Contact information will be provided in all public announcements.

REGIONAL AND INTEREST AREA FORUMS AND FOCUS GROUPS

In addition to the public hearings, DEED, Minnesota Housing, and DHS may solicit input on housing and community development issues and needs of the homeless population at regional or interest area forums or focus groups.

If these types of meetings are conducted, agencies, advocates, statewide and regional institutions and organizations, and community residents will be informed of the meetings through state agency websites, personal contact, media releases, and other methods that the State believes may be productive. All sites selected for the forums or focus groups will be accessible to the physically disabled. The State will work with advocacy groups to

determine the need for special accommodations (beyond physical accessibility) of special needs groups and non-English speaking attendees.

The forums will be conducted with the intention of providing Minnesota residents the opportunity to voice their opinions and provide insight into the issues prevalent in their communities. The forums will also provide an opportunity for citizens and interested parties to obtain information about state housing and community development programs, the administering agencies, and funding requirements.

PUBLICATION OF CONSOLIDATED PLAN DOCUMENTS

The State will publish its draft Consolidated Plan documents for public review in a manner that affords citizens, public agencies and other interested parties a reasonable opportunity to examine its contents and submit comments.

The draft Consolidated Plan documents will be available at selected depositories for the full public comment period. A list of the depositories appears at the end of this Citizen Participation Plan. The draft Consolidated Plan documents will also be available for viewing on Minnesota Housing's website (<http://www.mnhousing.gov>) and DEED's website <http://www.positivelyminnesota.com>, or DHS' website <http://www.dhs.state.mn.us>. Although interested parties will be encouraged to use the depositories' copies or view the Consolidated Plan on the Internet, a reasonable number of hard copies of the proposed Consolidated Plan will also be available from DEED and Minnesota Housing during the public comment period.

Citizens or groups that have attended any of the forums or public hearings will be notified by mail or e-mail of the Consolidated Plan's availability for comment.

The draft Consolidated Plan will describe the amount of assistance the State expects to receive and the range of activities that may be undertaken, including the estimated amount that will benefit persons of low- and moderate-income and the plans to minimize displacement of persons and to assist any persons displaced.

The State will openly consider any comments of individuals or groups received verbally or in writing, including e-mail, during the Consolidated Planning process or at public hearings. A summary of the written and public hearing comments will be included in the final Consolidated Plan, along with the State's response to the comments.

PUBLIC COMMENT ON THE CONSOLIDATED PLAN DOCUMENTS

Prior to the adoption of the Consolidated Plan, the State will make available to interested parties the draft Consolidated Plan and Executive Summary for a comment period of no less than 30 days. Notification of the availability of the proposed Consolidated Plan will appear in at least one newspaper that is circulated throughout the state.

Before the State submits a Consolidated Annual Performance and Evaluation Report (CAPER) to HUD, the State will make available to interested parties the proposed CAPER for a comment period of no less than 15 days. Citizens will be notified of the CAPER's availability through newspaper notification.

The CAPER will be available on Minnesota Housing's and DEED's websites for the full public comment period. Hard copies of the CAPER will be available upon request from DEED and Minnesota Housing during the public comment period. The State will consider any comments of individuals or groups received verbally or in writing, including e-mails, or at public hearings. A summary of the written and public hearing comments and the State's responses will be included in the final CAPER.

PUBLIC ACCESS TO RECORDS

The State will provide all interested parties with access to information and records related to the State's Consolidated Plan and the State's use of assistance under all programs covered by the Consolidated Plan during the preceding five years. The public will be provided with reasonable access to housing assistance records, subject to laws regarding privacy and obligations of confidentiality.

CONSULTATION WITH ORGANIZATIONS AND STATE AGENCIES

When preparing the Consolidated Plan, the State will actively consult with public and private agencies that provide housing, health and social services in order to ensure that the interests and needs of all groups are being adequately addressed. This consultation may occur through regional and interest area forums, interviews conducted with such organizations (especially those that provide services to special needs populations), and incorporation of data and reports produced by such organizations into the Consolidated Plan.

AMENDMENTS TO THE CONSOLIDATED PLAN

Pursuant to HUD regulations, an amendment to the Consolidated Plan is required whenever the jurisdiction determines to:

- Substantially change the allocation priorities or its method of distributing HUD formula grant funds;
- Utilize formula grant funds (including program income) to carry out an activity not previously described in the action plan; or
- Change the purpose, scope, location or beneficiaries of an activity.

Such changes, prior to their implementation, are reviewed under various federal or local requirements, particularly rules on procurement and/or policies on the allocation of public resources. Substantial amendments to the Consolidated Plan are, in addition, subject to a formal citizen participation process. Notice and the opportunity to comment will be given to citizens through public notices in local newspapers and other appropriate means, such as direct mail or public meetings. A public comment period of not less than 30 days will be provided prior to implementing any substantial amendment to the Consolidated Plan. State staff will prepare a summary of all comments received in writing and, in cases where any citizens' views are not accepted, provide reasons for the decision. This documentation will be attached to the substantial amendment, which will be available to the public and submitted to HUD.

SUBSTANTIAL AMENDMENTS

Occasionally, public comments or events warrant an amendment to the Consolidated Plan. The criteria for whether to amend are referred to by HUD as Substantial Amendment Criteria.

The State's Substantial Amendment Criterion is a change in the described method of distributing funds to local governments or nonprofit organization subrecipients to carry out activities. Elements of a "method of distribution" are:

- A. Application process for subrecipients, and
- B. Criteria for selecting subrecipients.

CITIZEN PARTICIPATION IN THE EVENT OF A SUBSTANTIAL AMENDMENT

In the event of a substantial amendment to the Consolidated Plan, the State will comply with the following citizen participation process:

1. The State will notify citizens of the availability of the draft substantial amendments, a minimum 30-day comment period, and, if in the State's judgment a public hearing is desirable, the time and location of the public hearing through a newspaper of statewide circulation.
2. Depending on which of the formula grant programs is affected, the substantially amended sections of the Consolidated Plan will be made available on either Minnesota Housing's website (<http://www.mnhousing.gov>), DEED's website, <http://www.positivelyminnesota.com/>, or DHS' website, <http://www.dhs.state.mn.us> and hard copies will also be available from the affected state department for the full duration of the public comment period.

CONSIDERATION OF PUBLIC COMMENTS ON THE SUBSTANTIALLY AMENDED PLAN

In the event of substantial amendments to the Consolidated Plan, the State will openly consider any comments on the substantially amended Consolidated Plan from individuals or groups. Comments must be received in writing, including e-mail, or at public hearings if hearings are conducted. A summary of the comments received on the substantial amendments will be included in the final substantially amended Consolidated Plan. Also included in the final substantially amended Consolidated Plan will be a summary of all comments not accepted and their reasons for dismissal.

CHANGES IN FEDERAL FUNDING LEVEL

Any changes in federal funding level after the Consolidated Plan's draft comment period has expired and the resulting effect on the distribution of funds will not be considered an amendment or a substantial amendment.

STANDARD AMENDMENTS

"Standard amendments" are those that are not considered substantial in nature and pertain chiefly to minor administrative modifications of the programs. Thus they do not require in-depth citizen participation.

COMPLAINTS AND GRIEVANCES

Citizens, administering agencies and other interested parties may submit complaints regarding violations of this Citizen Participation Plan or federal regulations regarding the preparation of the consolidated plan, amendments to the consolidated plan, or performance reports.

Citizens may also present complaints and grievances orally or in writing at the community meetings, and/or public hearing. All public comments, including complaints and grievances, made either orally or in writing within the 30-day public comment period, will be included in the final Consolidated Plan, subject to such limitations of the Minnesota Government Data Practices Act that may apply. Such complaints or grievances shall be directed to the Consolidated Plan representative, Ms. Christine Schieber of DEED, at 332 Minnesota St, Ste. E200, St. Paul, MN 55101, or her successor.

TIMELY RESPONSE TO COMPLAINTS OR GRIEVANCES

Within 15 calendar days of receiving the complaint, the program manager shall discuss the matter with the department manager and respond to the complainant in writing. A copy of the State's response from the Consolidated Plan representative will be transmitted, concurrently, to the complainant and to DEED Director. If, due to unusual circumstances, the Consolidated Plan representative finds that it is unable to meet the prescribed time limit, the limit may be extended by written notice to the complainant. The Consolidated Plan representative's notice must include the reason for the extension and the date on which a

response is expected to be generated, which may be based on the nature and complexity of the complaint.

Public review materials and performance reports will include data, as appropriate under confidentiality regulations, on any written complaints received and how each was resolved.

CITIZEN PARTICIPATION REQUIREMENTS FOR LOCAL GOVERNMENTS RECEIVING CDBG (SMALL CITIES DEVELOPMENT PROGRAM) FUNDS FROM THE STATE

Units of general local government must provide for and encourage citizen participation as prescribed at 24 CFR 570.486. All Small Cities Program applicants for CDBG funds are required to provide citizen notification and involvement in planning and implementation of the proposed projects through one or more public hearings and other informational efforts. Public hearings must be held at times and in places that are convenient to all community residents, particularly those who will be affected by implementation of the project(s). The needs of persons with disabilities and non-English speaking persons should be considered for the dissemination of information and the location of public hearings and meetings must be accessible to persons with disabilities. In addition, applicants are required to conduct a community development survey to allow for citizen input on the housing and community needs of the jurisdiction.

AVAILABILITY OF THE CITIZEN PARTICIPATION PLAN

Copies of the CPP may be obtained by contacting the Minnesota Housing website (<http://www.mhfa.state.mn.us>) or DEED website at (<http://www.deed.state.mn.us>). Upon request, the State will make the Plan available in an alternative format accessible to persons with disabilities.

DEPOSITORIES

LIBRARIES

Arrowhead Library System, 5528 Emerald Avenue, Mount Iron
Bemidji Public Library, 509 American Avenue Northwest, Bemidji
Duluth Public Library, 520 West Superior Street, Duluth
East Central Regional Library, 244 South Birch Street, Cambridge
Grand Marais Public Library, Post Office Box 280, Grand Marais
Great River Regional Library, 1300 West St. Germain Street, St. Cloud
Lake Agassiz Regional Library, Post Office Box 900, Moorhead
Marshall-Lyon County Library, 3201 West Lyon Street, Marshall
Minneapolis Public Library, 250 Marquette Avenue, Minneapolis
Minnesota Valley Regional Library, 100 East Main Street, Mankato
Nobles County Library, Post Office Box 99, Worthington
Northwest Regional Library, 210 LaBree Avenue North, Thief River Falls
Owatonna/Steele County Library, 105 North Elm Avenue, Owatonna
Red Wing Public Library, 225 East Avenue, Red Wing

Rochester Public Library, 101 Second Street Southeast, Rochester
St. Paul Public Library, 90 West 4th Street, St. Paul
Willmar Public Library System, 410 West 5th Street Southwest, Willmar
Winona Public Library, 151 West 5th Street, Winona

Regional Development Commissions

Arrowhead RDC, 221 West 1st Street, Duluth
East Central RDC, 100 South Park Street, Mora
Headwaters RDC, P.O. Box 906, Bemidji
Metro Council, 390 North Robert Street, St. Paul
Mid-Minnesota Development Commission, 333 West Sixth Street, Ste. 2, Willmar
Northwest RDC, 115 South Main Avenue, Ste. 1, Warren
Region Five Development Commission, 611 Iowa Avenue, Staples
Region Nine Development Commission, P.O. Box 3367, Mankato
South West RDC, 2401 Broadway Avenue, Ste. 1, Slayton
Upper Minnesota Valley RDC, 323 West Schlieman Street, Appleton

HOUSING PARTNERSHIP'S REGIONAL NETWORK PROJECT OFFICES

Central Minnesota Housing Partnership, 810 West St. Germain Street, Ste. 303, St. Cloud
Minnesota Housing Partnership, 1821 University Avenue, Ste. 137, St. Paul
Southeast Minnesota Housing Network, 1414 North Star Drive, Zumbrota
Southwestern MN Housing Partnership, 2401 Broadway Avenue, Ste. 4, Slayton
Tri-Valley Opportunity Council, P.O. Box 607, Crookston
West Central Minnesota Housing Partnership, 1500 North Union Avenue, Fergus Falls

MINNESOTA INITIATIVE OFFICES

Initiative Fund, 405 First Street Southeast, Little Falls
Northland Foundation, 202 West Superior Street, Ste. 610, Duluth
Northwest MN Initiative Fund, 722 Paul Bunyan Drive Northwest, Bemidji
Southern Minnesota Initiative Foundation, 525 Florence Avenue, Box 695, Owatonna
Southwest MN Foundation, 15 3rd Avenue Northwest, Hutchinson
West Central MN Initiative Fund, 1000 Western Avenue, Fergus Falls

COUNCILS, ASSOCIATIONS, AND OTHER LOCATIONS

American Indian Housing Group, 1508 East Franklin Avenue, Minneapolis
Asian Pacific Minnesotans, 658 Cedar Street, 1st Floor, St. Paul
Central Cultural Chicano, 1915 Chicago Avenue South, Minneapolis
CLUES, 220 S. Robert Street, Ste. 103, St. Paul
Council on Black Minnesotans, 2233 University Avenue, Wright Building, Ste. 426, St. Paul
Minnesota Coalition for the Homeless, 122 West Franklin Street, Ste. 5, Minneapolis
Chicano Latino Affairs Council, 555 Park Street, Ste. 210, St. Paul
Upper Midwest American Indian Center, 1912 Emerson Avenue Northwest, Minneapolis
Arrowhead Economic Opportunity Agency, 702 3rd Avenue South, Virginia

MICAH, 122 West Franklin Avenue, Ste. 310, Minneapolis

STATE OF MINNESOTA

Department of Employment and Economic Development

Minnesota Housing Finance Agency

Minnesota Department of Human Services

NOTICE OF PUBLIC HEARINGS AND DRAFT AVAILABILITY

STATE OF MINNESOTA 2014 HOUSING AND COMMUNITY DEVELOPMENT ANNUAL ACTION PLAN (ACTION PLAN) AND CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER) FOR 2013

The State of Minnesota is developing its annual Action Plan for 2014, and the Consolidated Annual Performance and Evaluation Report (CAPER) for 2013. The state encourages citizens to participate in the development of both the Action Plan and the CAPER.

Annually the state submits an Action Plan to the U.S. Department of Housing and Urban Development (HUD) in order to receive federal housing and community development funding through the Community Development Block Grant (CDBG), HOME Investment Partnerships, Emergency Solutions Grants (ESG), and Housing Opportunities for Persons with AIDS (HOPWA) programs. The state's 2012-2016 Consolidated Plan examines the housing and community development needs of the state, and sets priorities for allocating HUD funds. The annual Action Plan directs how the state will meet current and future needs and priorities in the coming year.

The state submits its CAPER to HUD annually as one of the conditions of receiving federal funds under the programs identified above. The CAPER provides information to measure the state's progress during the past year in meeting assistance goals and priorities identified in the Consolidated Plan. The CAPER includes a summary and analysis of progress

made on identified actions that state agencies have elected to undertake to affirmatively further fair housing and overcome impediments to fair housing.

Process to Comment on the Annual Action Plan

The state will hold its first public hearing about the Action Plan on **Wednesday, July 24, 2013**, to gather citizen input on housing and community development needs and how federal funding should be allocated in the state.

A second public hearing on the Action Plan will be held on **Wednesday, September 11, 2013**. This second public hearing will be for review and comment on the draft Action Plan, which will be available for public review and comment beginning August 13, 2013. The draft Action Plan will be available on the Internet at <http://www.mnhousing.gov> and <http://www.positivelyminnesota.com> and in state depositories identified in the Citizen Participation Plan, which may be viewed at the same internet locations. Hard copies of the Action Plan can be obtained by calling Gloria Stiehl, Department of Employment and Economic Development, 1-800-657-3858, or (651) 259-7462, or TTY 1-800-282-5909 or (651) 296-3900. Both hearings will be held at 4:00 p.m. at the Minnesota Department of Human Services, Room 1238, 444 Lafayette Road, St. Paul. Free parking for the hearings is available in parking lot C adjacent to the building. Call 1-800-657-3858 or TTY 1-800-282-5909 for more information about these hearings.

Comments on the draft Action Plan will be accepted until close of business **September 13, 2013**. Written public comments on the Action Plan should be submitted to: Action Plan, Attn: Gloria Stiehl; Minnesota Department of Employment and Economic Development; First National Bank Building; 332 Minnesota Street, Suite E200; St. Paul, MN 55101-1351; via fax

to (651) 296-1290 or by email to gloria.stiehl@state.mn.us. To ensure consideration of your comments, type "Action Plan" in the subject line of your e-mail.

The State will consider any comments from individuals or groups received in writing or at public hearings. A summary of the written and public hearing comments on the Action Plan and the State's responses will be included in the final Action Plan. The Action Plan will be submitted to HUD on or before November 15, 2013.

Process to Comment on the CAPER

A draft of the 2013 CAPER will be available for public review and comment beginning November 14, 2013, at www.mnhousing.gov and www.positivelyminnesota.com and ending at close of business on December 2, 2013. Hard copies of the CAPER can be obtained by calling Minnesota Housing Finance Agency at 1-800-657-3769 or (651) 296-7608, or TTY (651) 297-2361.

Written public comments on the CAPER must be submitted by December 2, 2013 to: CAPER, Minnesota Housing Finance Agency; 400 Sibley Street, Suite 300; St. Paul, MN 55101; via fax to (651) 296-8139 or by email to mn.housing@state.mn.us. To ensure consideration of your comments, type "CAPER" in the subject line of your e-mail.

The State will consider any comments from individuals or groups received in writing and a summary of the written comments on the CAPER and the State's responses will be included in the final CAPER. The CAPER will be submitted to HUD on or before December 31, 2013.



Minneapolis | St. Paul

425 Portland Avenue
Minneapolis, MN 55488

STATE OF MINNESOTA)
COUNTY OF HENNEPIN)

Karen Greenhoe, being duly sworn, on oath says she is and during all times herein stated has been an employee of Star Tribune Media Company LLC, a Delaware limited liability company with offices at 425 Portland Avenue, Minneapolis, Minnesota 55488, publisher and printer of the *Star Tribune* newspaper (the "Newspaper"), published 7 days a week, and has full knowledge of the facts herein stated as follows:

1. The Newspaper meets the following qualifications:
 - (a) The Newspaper is printed in the English language in newspaper format and in column and sheet form equivalent in printed space to at least 1,000 square inches;
 - (b) The Newspaper is printed daily and distributed at least five days each week;
 - (c) In at least half of its issues each year, the Newspaper has no more than 75 percent of its printed space comprised of advertising material and paid public notices. In all of its issues each year, the Newspaper has not less than 25 percent of its news columns devoted to news of local interest to the community that it purports to serve. Not more than 25 percent of the Newspaper's non-advertising column inches in any issue duplicates any other publication;
 - (d) The Newspaper is circulated in the local public corporation which it purports to serve, and has at least 500 copies regularly delivered to paying subscribers;
 - (e) The Newspaper has its known office of issue established in either the county in which it lies, in whole or in part, the local public corporation which the Newspaper purports to serve, or in an adjoining county;
 - (f) The Newspaper files a copy of each issue immediately with the state historical society;
 - (g) The Newspaper is made available at single or subscription prices to any person, corporation, partnership, or other unincorporated association requesting the Newspaper and making the applicable payment;
 - (h) The Newspaper has complied with all the foregoing conditions for at least one year immediately preceding the date of the notice publication which is the subject of the Affidavit; and
 - (i) Between September 1 and December 31 of each year, the Newspaper publishes and submits to the secretary of state, along with a filing fee of \$25, a sworn United States Post Office periodical class statement of ownership and circulation.
2. The printed copy of the matter attached hereto (the "Notice") was copied from the columns of the Newspaper and was printed and published in the English language on the following days and dates: Sunday, July 7, 2013.
3. Except as otherwise directed by a particular statute requiring publication of a public notice, the Notice was printed in a typeface no smaller than six point with a lowercase alphabet of 90 point.
4. The Newspaper's lowest classified rate paid by commercial users for space comparable to the space in which the Notice was published is \$920.95.

Karen Greenhoe

Subscribed and sworn to before me on July 8, 2013

Jelene K. Howard



Sunday, July 07, 2013

StarTribune

[illegible][illegible]

Sent to 2,017 individuals through an email list from Minnesota Housing.

If you're having trouble viewing this email, you may [see it online](#).

Share This:

eNews Alert



2013 Annual Action Plan Available For Comment

The State of Minnesota is developing its annual Action Plan for 2013 and encourages citizens to participate in its development.

Annually the state submits an Action Plan to the U.S. Department of Housing and Urban Development (HUD) in order to receive federal housing and community development funding through the Community Development Block Grant (CDBG), HOME Investment Partnerships, Emergency Solutions Grants (ESG), and Housing Opportunities for Persons with AIDS (HOPWA) programs. Last year the state adopted the 2012-2016 Consolidated Plan, which examined the housing and community development needs of the state, and set priorities for allocating HUD funds. The annual Action Plan directs how the state will meet current and future needs and priorities in the coming year.

The draft 2013 Action Plan is now available for review. [Download the draft Action Plan and find directions to comment on the draft Action Plan.](#)

Minnesota Housing | 400 Sibley Street, Suite 100 | Saint Paul, MN 55101



This email was sent to jlm.cegla@state.mn.us. To ensure that you continue receiving our emails, please add us to your address book or safe list.

[manage](#) your preferences | Q121...Q.Yt using TrueRemove®

Got this as a forward? to receive our future emails.



Schieber, Christine (DEED)

From: Cegla, Jim (MHFA)
Sent: Wednesday, July 24, 2013 9:41 AM
To: Schieber, Christine (DEED)
Subject: FW: Notice of Public Hearings and Comment Period

Chris—Here is evidence of our outreach on the action plan. I'm adding a couple sentences about it in the action plan "Summary of Citizen Participation."





Jim Cegla | Minnesota Housing | 400 Sibley Street, Suite 300 | Saint Paul, MN 55101
651. 297.3126 | 1.800.657.3769 | tty: 651.297.2361

Minnesota Housing finances and advances affordable housing opportunities for low and moderate income Minnesotans to enhance quality of life and foster strong communities.

[Please consider the environment before printing this e-mail.]

From: Minnesota Housing [<mailto:mn.housing@state.mn.us>]
Sent: Monday, July 22, 2013 9:52 AM
To: Cegla, Jim (MHFA)
Subject: Notice of Public Hearings and Comment Period

If you're having trouble viewing this email, you may [see it online](#).

Share this:    



Notice of Public Hearings and Comment Period for Action Plan and CAPER

The State of Minnesota is developing its annual Action Plan for 2014, and the Consolidated Annual Performance and Evaluation Report (CAPER) for 2013. The state encourages citizens to participate in the development of both the Action Plan and the CAPER.

Annually the state submits an Action Plan to the U.S. Department of Housing and Urban Development (HUD). The state's 2012-2016 Consolidated Plan examines the housing and community development needs of the state, and sets priorities for allocating HUD funds. The annual Action Plan directs how the state will meet current and future needs and priorities in the coming year.

The state also submits its CAPER to HUD annually. The CAPER provides information to measure the state's progress during the past year in meeting assistance goals and priorities identified in the Consolidated Plan. The CAPER includes a summary and analysis of progress made on identified actions that state agencies have elected to undertake to affirmatively further fair housing and overcome impediments to fair housing.

For information about attending public hearings and sharing your comments on the Action Plan and CAPER, visit the [Minnesota Housing web site](#).

Minnesota Housing



Affordable housing dialogues focus on regional issues

Minnesota communities are facing a diverse array of housing issues, from student and workforce housing to senior needs and homelessness prevention.

Minnesota Housing is traveling around the state to learn about the specific needs in each region, and how we can work together to address these issues. Read more about our recent Housing and Community Dialogues in [Mankato](#) and [Worthington](#).

Questions about the Dialogues? Contact Community Development Director [Margaret Kaplan](#).

In conjunction w/ GMHF, RD: DEED

Held in Warthington, MN
9/4/13

SW Minnesota Housing & Community Dialogue

*******Please Sign In*******

[illegible]

Worthington

Column1	Column2	Column3	Column4
✓	Christina	Akinola	Minnesota Housing
✓	Abraham	Algadi	Worthington Regional Economic Dev. Corp.
✓	DeeAnna	Bakken	Jackson & Windom HRAs
✓	Cherie	Bauer	Southwestern Minnesota Opportunity Council, Inc.
✓	Jaci	Betcher	USDA - Rural Development
✓	Windy	Block	City of Clara City
✓	Brandee	Boehne	CornerStone State Bank
✓	Jennifer	Bromeland	City of Jackson
✓	Mary	Burlingame	United Prairie Bank
✓	Bradley	Chapulis	City of Worthington
✓	Michael	Christensen	Rolling Hills Bank & Trust
✓	Kristine	Correll	Worthington Federal Savings Bank
✓	John	DeCramer	BH Electronics, Inc
✓	Jessica	Deegan	Minnesota Housing
✓	Brenda	DeMars	Reliance Bank
✓	Pam	Dobson	SW MN Habitat for Humanity
✓	Marcia	Ebnet	USDA Rural Development
✓	Heidi	Erickson	Minnesota Housing
✓	Jolene	Ervin	Edina Realty
✓	Nicole	Frodermann	Worthington Regional Economic Development Corpor
✓	Jeff	Gladis	Western Community Action, Inc.
✓	Lisa	Graphenteen	Southwest Minnesota Housing Partnership
✓	Aaron	Hagen	Daily Globe
✓	Mike	Haley	Minnesota Housing
✓	Warren	Hanson	Greater Minnesota Housing Fund
✓	Susan	Haugen	Minnesota Housing
✓	Roxanne	Hayenga	Minnesota West
✓	Bruce	Heitkamp	City of Adrian / Worthington Regional Economic Devel
✓	Betsy	Herding	Southwest Regional Development Commission
✓	Krissi	Hoffmann	Minnesota Housing
✓	Lisa	Hughes	MN DEED
✓	Dale	Jans	Jans Corporation
✓	Ali	Joens	Southwest Minnesota Housing Partnership
✓	Sharon	Johnson	District 518 Community Education
✓	Jeff	Jones	City of Pipestone
✓	Margaret	Kaplan	Minnesota Housing
✓	Aaron	Keniski	Habitat for Humanity of Minnesota
✓	Douglas	Knuth	City of Round Lake
✓	Scott	Knutson	USDA Rural Development
✓	Sherry	Kramer	CornerStone State Bank
✓	Colleen	Landkamer	USDA Rural Development
✓	Justin	Lessman	Livewire Printing Co.
✓	Jorge	Lopez	Southwest Minnesota Housing Partnership
✓	Ed	Luna	Minnesota Housing
✓	Peggy	Lunzman	Dacotah Bank
✓	Darlene	Macklin	Worthington Area Chamber of Commerce

not a member

✓	Josh	Malchow	City of Slayton
✓	Peggy	Markman	United Prairie Bank
✓	Carolina	Melgoza	Fulda Area Credit Union
	Todd	Meyer	Jackson County Central School District
✓	Veronica	Mireles	Fulda Area Credit Union
✓	Kirsten	Partenheimer	Minnesota Housing
✓	Luis	Pereira	Minnesota Housing
✓	Susan	Pirsig	City of Jackson
✓	Diane	Radll	CornerStone State Bank
✓	April	Riordan	Habitat for Humanity of Minnesota
✓	Robert	Russell	Minnesota Housing
✓	Mary	Ruyter	Sanford Jackson Medical Center
✓	Megan	Ryan	Minnesota Housing
✓	Joel	Saizer	Minnesota Housing
	Diane	Schettler	Wells Fargo Bank
✓	Donnie	Schoenrock	City of Jackson
✓	Andrea	Sether	City of Jackson Economic Development
✓	Sam	Shult	League of Minnesota Cities
✓	Kathy	Smit	USDA Rural Development
✓	Barb	Sporlein	Minnesota Housing
✓	Jonathan	Stanley	Minnesota Housing
✓	Barb	Staples	Minhwest Bank
✓	Ken	Temple	City of Jackson
✓	Jamie	Thelen	Sand Companies, Inc.
✓	Randy	Thompson	Worthington Housing Authority
✓	Susan	Thompson	Minnesota Housing
✓	Mary	Tingerthal	Minnesota Housing
✓	Katie	Topinka	Minnesota Housing
✓	Karen	Tramp	Minnesota Housing
✓	Jay	Trusty	SW Regional Development Commission
✓	Mark	Vis	First State Bank Southwest
✓	Brenda	Vogelaar	United Prairie Bank
✓	Bill	Weber	
✓	Representative Bob Gunther		
✓	Representative Rod Hamilton		
✓	Senator Bill Weber		

Housing and Community Dialogues - Mankato

Attended

Name	Company	Title	Email Address
Y Abdulkadir, Mohamed	Blue Earth Employment Services	Assistant Program Manager	mabdulkadir@beccs.org
Y Aho, Gene	Minnesota Housing	Manager, Single Family	Gene.Aho@state.mn.us
Y Anderson, Amy	Minnesota Housing	Communications Specialist	amy.anderson@state.mn.us
Y Baker, Patrick	Greater Mankato Growth	Director of Government and Institutional Affairs	pbaker@greatermankato.com
Y Beal, Jason	J.Beal Real Estate		Jason@jbealhomes.com
Y Beal, Jim	JBeal Real Estate Group	Co-owner	jim@jbealhomes.com
Y Belleful, Sarah	Minnesota Housing Partnership		sarah.belleful@mhponline.org
Y Bequette, Becky	Blue Earth County Human Services	Case Manager	rebecca.bequette@blueearthcountymn.gov
Y Bipes, Robyn	Greater Minnesota Housing Fund		rbipes@gmhf.com
Y Bokelmann, Nancy	City of Owatonna HRA	Housing Coordinator	nancyb@ci.owatonna.mn.us
Y Braun, Elizabeth	Greater Mankato Area United Way	Community Impact Director	eBraun@mankatounitedway.org
Y Brekke, Alissa	Pioneer Bank	Mortgage Banker	abrekke@bankwithpioneer.com
Y Brynaert, Kathy	MN House		rep.kathy.brynaert@house.mn
Y Burg, Honey	US Bank		
Y Conroy, Judy	Re/Max	Realtor	JudyC_@hotmail.com
Y Corcoran, Heather	League of Minnesota Cities	IGR Liaison	hcorcoran@lmc.org
Y Devitt, Stephanie	Minnesota Homeownership Center	FRAMEWORK Marketing Consultant	stephanie@hocmn.org
Y Doysher, Dean	SMR, Inc.		dean@smrrental.com
Y Erickson, Heidi	Minnesota Housing	Business Development	Heidi.K.Erickson@state.mn.us

Y	Erickson, Kate	MN Department of Corrections	Housing Coordinator	kate.a.erickson@state.mn.us
Y	Farden, Vicki	Minnesota Housing	Supportive Housing Specialist	Vicki.Farden@state.mn.us
Y	Fields, Ron	Minnesota State University, Mankato	AVP Facilities Management	ron.fields@mnsu.edu
Y	Filipovitch, Tony	MSU Mankato	Professor	anthony.filipovitch@mnsu.edu
Y	Fischer, Mike	City of North Mankato	City Planner	Michael.f@northmankato.com
Y	Fuller, Jen	Blue Earth County Human Services	Case Manager	jennifer.fuller@blueearthcountymn.gov
Y	Gieseke, Jodi	Nicollet County Social Services	Social Worker	Jgieseke@co.nicollet.mn.us
Y	Goodemann, Rick	Southwest Minnesota Housing Partnership		rickg@swmhp.org
Y	Griensewic, Nicole	Region Nine Development Commission	Executive Director	nicole@rmdc.org
Y	Hanson, Warren	Greater Minnesota Housing Fund		whanson@gmhf.com
Y	Hassan, Harbi	ISD 77		hhassal@isd77.k12.mn.us
Y	Hawker, Julie	Lloyd Management	Community Development & Marketing Manager	jhawker@LloydManagementInc.com
Y	Henderson, Deanna	US Bank		Deanna.henderson@usbank.com
Y	Hengy-Gretz, Kate	MN Valley Action Council	Supportive Services Coordinator	khengy@mnvac.org
Y	Heun, Victoria	Salvation Army Mankato	Program Director and Case Manager	victoria_heun@usc.salvationarmy.org
Y	Hoel, Kara	City of Mankato	Housing Intern	kara.hoel@mnsu.edu
Y	Hussain, Harvey			
Y	Jallow, Jodi	Mankato/BEC EDA	Housing Specialist	jjallow@city.mankato.mn.us
Y	Johnson, Clark			Rep. Clark.Johnson@house.mn
Y	Johnson, Claudia	Arc SW	Housing	advocacy@hickorytech.net
Y	Johnson, Deb	Wells Federal Bank	Assistant Vice President	djohnson@wellsfederal.com

Y	Johnson, Ruth	City of Mankato EDA - Home Stretch Program	Housing Specialist	ruthjohnson@city.mankato.mn.us
Y	Johnson, Tom	Lloyd Management Inc.	Regional Property Mgr.	tjohnson@lloydmanagementinc.com
Y	Kaplan, Margaret	Minnesota Housing	Community Development Director	margaret.kaplan@state.mn.us
Y	Knudson, Scott	Minnesota Housing		scott@communitypartnersresearch.com
Y	Kolb, Marcia	ASC Psychological Services		Marcia.kolb@state.mn.us
Y	Komaridis, George	City of Mankato	Director	georgek@ascpsych.com
Y	Konz, Mark	Office of U.S. Representative Timothy J. Walz	Constituent Advocate/Field Representative	mkonz@city.mankato.mn.us
Y	Krogmann, Mark	Weichert Realtors Community Group	Realtor	mark.krogmann@mail.house.gov
Y	Krumwiede, Kellie	PAH Board		kellie@weichertcommunitygroup.com
Y	Kuechle, Lynn	Minnesota Housing	Production Manager	kuechle@hickorytech.net
Y	larson, wade	Partners for Affordable Housing	CEO	wadealarson@yahoo.com
Y	Lund, Diana	MRCI		diana.lund@state.mn.us
Y	Meyers-Dobler, Carrol	Century 21 Atwood		carrol.pah@hickorytech.net
Y	Mohamed, Abdi	Minnesota Housing		Abdihajimohamed1@gmail.com
Y	Natvig, Hal	City of Manakto	Housing and Outreach Assistant	hnatvig@atwoodrealty.com
Y	Orr, Tonja	Minnesota Housing		Tonja.orr@state.mn.us
Y	osman, amal	Minnesota Housing		amalhaayaati@gmail.com
Y	Partenheimer, Kirsten	Minnesota Housing	Director of Planning, Research & Evaluation	Kirsten.Partenheimer@state.mn.us
Y	Patterson, John	Paulsen Architects	President	john.patterson@state.mn.us
Y	paulsen, bryan	Minnesota Housing Partnership	Program Officer	bryan@paulsenarchitects.com
Y	Paulson, Cynthia	Pettipiece & Associates	C.D. Director	cynthia.paulson@mhponline.org
Y	Pettipiece, Chuck			chuckp@c-pettipiece.com

Y	Pfau, Joleen	SMR, Inc.		joleen@smrrental.com
Y	Pherson, Patti	RE/MAX Dynamic Agents	Broker-Associate	pattipherson@hotmail.com
Y	Plimpton, Jan	Habitat for Humanity of Minnesota	Executive Director	jan@hfhmn.org
Y	Prins, Jennifer	Southwest Minnesota Housing Partnership	Director of Community Development	jennferp@swmhp.org
			Economic Development Specialist	kproski@city.mankato.mn.us
Y	Proski, Kristin	City of Mankato	Asset Manager	tina.rogney@state.mn.us
Y	Rogney, Tina	MN Housing	Shelter Director	kyle_rollings@usc.salvationarmy.org
Y	Rollings, Kyle	Salvation Army		Robert.Russell@state.mn.us
Y	Russell, Robert	Minnesota Housing	Communications Director	megan.ryan@state.mn.us
Y	Ryan, Megan	Minnesota Housing	agent	gretchen@yourtrueam.com
Y	Sadaka, Gretchen	ReMax Dynamic Agents	Branch Manager	habib.sadaka@amecinc.org
Y	Sadaka, Habib	American Mortgage & Equity Consultants		Christine.schieber@state.mn.us
Y	Schieber, Christine	DEED		hfhscmn@hickorytech.net
Y	Schmillen, Julie	South Central MN Habitat For Humanity	Executive Director	sserbus@co.nicollet.mn.us
Y	Serbus, Sue	Nicollet County Social Services	Social Service Supervisor	sen.kathy.sheran@senate.mn
Y	Sheran, Kathy	Minnesota State Senate	State Senator	Barb.Sporlein@state.mn.us
Y	Sporlein, Barb	Minnesota Housing Finance Agency	Deputy Commissioner	
Y			Asst. Vice President/Mortgage Banker	ksteele@unitedprairiebank.com
Y	Steele, Kari	United Prairie Bank	Housing Program Officer	
Y	Thiewes, Eric	Minnesota Housing		Eric.Thiewes@state.mn.us
Y	Tingerthal, Mary	Minnesota Housing		Mary.tingerthal@state.mn.us
Y	Topinka, Katie	Minnesota Housing		Katie.topinka@state.mn.us
Y	Vaalko, Ellen	Minnesota Valley Action Council		

Y	VanEman, Angie	American Way Realty	Broker Associate	Angie@mankatorealestate.com
Y	Wheelock, Jessica	United Prairie Bank	AVP/Mortgage Banker	jwheelock@unitedprairiebank.com
Y	white, michael	weichert realtors	realtor	michaelw@weichertcommunitygroup.com
Y	Wille, Russ	City of Saint Peter	Community Development Director	russw@saintpetermn.gov
Y	Woodward, Craig	Century 21 Atwood Realty	Sales Associate - MBA	cwoodward@atwoodrealty.com
Y	Zacharias, Becky	CADA		beckyz@inspire-hope.org
Y	Zender, Nathan	Wells Federal Bank	Loan Officer	nzender@wellsfederal.com
Y	Ziegler, Patti	Mankato EDA	Housing Coordinator	pziegler@city.mankato.mn.us

91 TOTAL

N	BairBraam, suzanne	Blue Earth County Human Services/Supportive Housing	case manager	MGNB59J4N6Z
N	Barbes, Andrew	CEDA	Community and Business Development Associates	KKNVMMNR2BZF
N	Becker, Pam	South Central College	Faculty	HWNQVVK6KMP
N	Beranek, Buffy	SEMMCHRA	Deputy Director	P2NXQ2DGLNK
N	Bergum, Lee	Energy Panel Structures	District Sales Manager	MFN38NLPVKG
N	Betcher, Jaci	USDA Rural Development	Guaranteed Housing Lead Specialist	XCNWJBFVSX8
N	Blais, Lou	Lloyd Management Inc.	Regional Property Manager	MDN5MF8MZWP
N	DuCharme, Karen	SEMMCHRA	Community Development Manager	H5NBTDJMC7V
N	Ellefson, Julie	CADA, Inc.	Executive Director	DLNYJYTSYX
N	geldner, dianne	NuStar	sales associate	F2NKKFTW22G

N	Jackson, Justin	Development	Jackson Construction	Owner	MVNPKJW4SMP
N	Janney, Cindy		MSU - Mankato		
N	Johnson, Dannelle		Peoples Urban Films	President, CEO	FPNKCP3ZDW3
N				Community Development Director	KVNNQR22F5K
N	Jost, Byron		Region 9 Development Commission		
N	Kaul, Jeff		Century 21, Atwood Realty, Inc.	Broker	PBNPLZWQDQ4
N	Landkamer, Colleen		USDA Rural Development	State Director	DMNJP9WCZW
N	McDonald, Tim				
N	Pearson, Julie		Security State Bank of Aitkin	Real Estate Loan Officer	NBNR86KQJH9
N	Phillips, Chuck		USDA Rural Development	Area Director	KWNYYPFN98P
N	Prince, Vanessa		Security State Bank of Aitkin	Real Estate Loan Officer	JGNY45S2QVB
N	Schultz, Judd		Minnesota Valley Action Council	Housing Services Director	DJNGL857ZYN
N	Swanson, Linda		USDA Rural Development	Area Specialist	DPNP25RPGHG
N	Swenson, Karen		Brown-Nicollet Environmental Health	Director	MGNTNHzRGPM
N	thomas, christine		Lake Shores and More Realty	Broker	ZFNYW38JG7G
N	Ulman, Nicole		SCMMCHRA	Housing Coordinator	KPN7PJ8XG6H
N	Veerkamp, Breanna		SEMMCHRA	Administrative Assistant	NXNHYT5Y367
N	Voback, Justin				
N	Vrieze, Michelle		CEDA	Director of Grants	NGNC3WLDQXY
N	Wachtel, Tammera		CADA, Inc.	Outreach/KMS Program Manager	ZYNCD388XQQ
N	Wheeler, Joe		SEMMCHRA	Executive Director	K7N85TMBYCB
N	Wittwer, Dave		USDA Rural	Area Specialist	NLNGYKJRXN7

Comments to Action Plan



SERVING MINNESOTA'S HOUSING &
COMMUNITY DEVELOPMENT NEEDS

TO: Minnesota Housing
FROM: Minnesota NAHRO
DATE: August 30, 2013

RE: Comments on draft 2014 Affordable Housing Plan &
Minnesota's 2014 Action Plan for Housing and Community Development

On behalf of the members of Minnesota NAHRO, thank you for the opportunity to provide comments on the 2014 Affordable Housing Plan. We have also taken this opportunity to include feedback on the Housing & Community Development Plan which for many of our agencies work in concert to address the state's increasing need for affordable housing. (See Attachment B).

Every day, the members of Minnesota NAHRO provide affordable housing and livable communities for all Minnesotans. Minnesota NAHRO members own or manage the majority of publicly subsidized housing including all public housing and Section 8 units across the state. Our members also administer affordable housing programs such as foreclosure prevention, homebuyer education and loan financing. Taken together, the members of Minnesota NAHRO serve over 70,000 low and moderate income households across the state.

Minnesota NAHRO wishes to thank Minnesota Housing for its continued leadership as the agency has been an important partner to many Housing & Redevelopment Authorities (HRAs). This leadership and support has become even more important as HRAs face ever decreasing funding due to federal budget brinkmanship. Just in the last year, our members have had to respond to the lack of HUD funding including the failure to authorize a 2013 budget over six months into the fiscal year plus the additional reductions imposed by sequestration in March 2013. Please see Attachment A for an overview of the impact that these federal budget cuts have had on the two largest federally subsidized housing programs in the state.

It is in this context that Minnesota NAHRO provides these comments to the state's affordable housing plan. First, the agency is to be commended for presenting a plan that addresses the many complex components necessary to ensure affordable housing is preserved throughout the state. Second, these interventions are needed due to the failure of the market to address these unmet housing needs. Third, these unmet needs are increasing as evidenced by the historically low rental vacancy rate throughout the state as well as the contraction of the mortgage market for households with lower credit scores. Finally, the following comments speak to specific components of the plan.

- Pool 3 funding totaling \$24 million. Minnesota NAHRO supports the use of these funds to address homelessness, subsidize and preserve rental housing, support home rehabilitation and funding to support the capacity building at the local level to implement these programs effectively.

Minnesota Chapter of NAHRO
National Association of Housing and Redevelopment Officials
555 Wabasha Street North / Suite 245 / St. Paul / Minnesota / 55102
651-925-4070 (phone) • 651-293-0576 (fax) • www.mnnahro.org

Minnesota Annual Action Plan for Housing and Community Development

Comments

- DEED identified that housing rehabilitation was the greatest need and largely requested by communities throughout the State. NAHRO recommends that the allocation of how funds are distributed should be re-evaluated with a larger percentage allocated to housing.
- The Small Cities Development Program (SCDP) should allow for the rental rehabilitation program to include funding for Public Housing units. Federal funding cuts of the Public Housing Capital Fund Program are making it increasingly difficult for housing authorities to properly maintain this important resource. Communities should have the option of including these properties in their rental rehab programs and to use SCDP funding as leverage for Publicly Owned Housing Program (POHP) funds if needed.
- The Consolidated Plan should recognize the need for funding for social services to support long-term homeless (LTH) families and individuals. Recent cuts for these services have reduced service providers to the extent that there are no providers to interview, assess, and refer LTH families to Shelter/Care and homeless designated tax credit units. The families, housing and subsidy are available. The needed services that refer the families to the housing providers are not.
- DEED has established an internal process for evaluating substantial impact points, based on targeting an area within a small, rural community. NAHRO believes that this method does not truly meet the intended needs of small, rural communities since they do not have a high concentration of low-income families. If a community identifies a need throughout its city that benefits low and moderate income families that should, by itself, demonstrate a substantial impact. DEED should establish future dialogue with small cities, counties, and HRA's to determine a better method for establishing impact in small, rural communities.

Shannon Guernsey
Minnesota NAHRO
555 N. Wabasha Street Suite 245
Saint Paul, MN 55102

Dear Ms. Guernsey,

We would like to thank MN NAHRO for their comments on the Affordable Housing Plan and Minnesota's 2014 Action Plan for Housing and Community Development. Please allow this letter to serve as the DEED response to the 2014 Minnesota Annual Action Plan for Community Development.

Your first comment in this section asks that a larger percentage of funding be allocated to housing activities. Minnesota State Statute 4300.2000 Subpart 2 states:

"Of the federal funds available in each grant year, 30 percent shall be reserved to fund single purpose grants, 15 percent shall be reserved for economic development grants, and 55 percent shall be reserved by the commissioner to fund comprehensive grants. However, the commissioner may modify the proportions of funds available if the commissioner determines that there is a shortage of fundable applications in any category."

Over the last two years, more than 57% of DEED Community Development Block Grant (CDBG) funds have been allocated to affordable housing. While housing is an important ingredient of community development, we also believe adequate public facilities, economic development, and rehabilitation of commercial areas are also priorities for vital communities.

Your second comment asks that the Small Cities Development Program (SCDP) allow rental rehabilitation funds to be used for public housing rehabilitation. Public housing units are eligible and have been funded previously with SCDP funds according to Minnesota State Statute 4300.2000. Note that the SCDP program does not fund deferred maintenance items. Rehabilitation must be significant and be used to correct housing that does not meet health and safety standards. Rental rehabilitation would be one component to a comprehensive community development project.

The third comment states that the Consolidated Plan should recognize the need for funding for social services to support long-term homeless families and individuals. A percentage of CDBG is directly allocated to Minnesota Department of Human Services for long term homelessness.

The fourth comment states that small rural communities do not have a high concentration of low-income families and that DEED should not give points to communities that geographically target. We disagree with your assertion that small rural communities do not have concentrations of low-income people. Many communities have sections of their community that have older, lower valued substandard homes, occupied by low income families in need of rehabilitation. Successful projects not only rehabilitate the homes funded by SCDP, but are a catalyst for other rehabilitation and community development.

We have found non-geographically target projects are less likely to spur this additional impact on communities. It should be noted that in some very small communities, a majority of residents are low income and a city-wide approach is acceptable.

Business and Community Development

1st National Bank Building ■ 332 Minnesota Street, Suite E200 ■ Saint Paul, MN 55101-1351 USA

www.positivelyminnesota.com

Toll Free: 800-657-3858 ■ Phone: 651-259-7114 ■ Fax: 651-296-1290 ■ TTY: 800-296-3900

An Equal Opportunity Employer and Service Provider

In a general, DEED would like to note that the SCDP program received HUD funding cuts which has created a more competitive nature for our funds.

We continue to appreciate and support the work of NAHRO in Minnesota and will continue to provide resources to improve housing that contributes to community development.

Sincerely,



Tom Gast
Director, Office of Community Finance

Business and Community Development

1st National Bank Building ■ 332 Minnesota Street, Suite E200 ■ Saint Paul, MN 55101-1351 USA
www.positivelyminnesota.com

Toll Free: 800-657-3858 ■ Phone: 651-259-7114 ■ Fax: 651-296-1290 ■ TTY: 800-296-3900

An Equal Opportunity Employer and Service Provider

Additional Information

State and Local Tax Policies

Minnesota's previous Consolidated Plan conceded that the state's rental property tax rate is often mentioned as a barrier to affordable rental housing, both for developers and for landlords who provide affordable rental units. The tax reportedly has adverse impacts on the maintenance of existing rental housing, the development of new housing, and the efficient use of the existing housing stock. Property tax rebates for lower-income households help to mitigate some of the taxes that are passed on to renters. While the State wishes to support policies that make affordable housing development more achievable, the difficulties of implementing these strategies may limit their viability for Minnesota in the near future.

However, the State has been able to begin to address this issue with its 4d affordable rental housing property tax, a special class tax rate for affordable housing developments that represents a class rate reduction of 75 percent for rent-restricted properties. Eligible properties are subject to rent and income restrictions of the Section 8 program; the Low Income Housing Tax Credit (LIHTC) program; rural housing service rent assistance programs; or a financing program of the federal, state, or local government.⁷

Structure and Delivery of Services

Over the 2013 program year, the State will continue its collaborative funding process of a consolidated request for proposals. Though the state does not administer Section 8 Housing Choice Vouchers, it will explore, along with interested public housing agencies, the possibility of establishing a multi-jurisdiction single point of application for housing choice vouchers.

CHALLENGES

Lack of Sufficient Resources

Funding shortages create a challenge for Minnesota; however there are steps its agencies can take to maximize their available resources in the most efficient way. Over the 2013 program year, Minnesota Housing will continue to focus its efforts and major resources on preservation of affordable housing. Preserving existing housing is the most cost-effective way to provide housing. Regardless of the state of the economy, new project-based assisted housing to replace project-based assisted housing that falls into disrepair and loses its federal subsidy is not an option.

DEED will continue to focus efforts on rehabilitation of all housing, creation of jobs related to economic development, and improvement of public facility access to low- to moderate-income areas. The State supports all efforts to use resources most efficiently.

First-Time Homebuyers

⁷Source: HousingMinnesota, *Report on 2005 Legislative Achievements*, July 2005.
http://www.housingminnesota.org/downloads/2005_Legislative_agenda_Final_Report.pdf

In addition to the mortgage loan programs through Minnesota Housing, the Emerging Markets Homeownership Initiative (EMHI), a collaborative public-private partnership, was launched in 2004 with the goal of "significantly and dramatically" increasing homeownership in communities of color throughout the state by 2010. The three conveners of the initiative are Fannie Mae, the Federal Reserve Bank of Minneapolis, and Minnesota Housing. Information on EMHI's vision, approach, and actions can be found online.⁸

Over the 2013 program year, the State will continue to alleviate the challenges of first-time homebuyers by providing funding for homebuyer training and education, downpayment assistance, and below-market interest rate mortgages to first-time homebuyers.

OTHER OBSTACLES

NIMBYism

Community attitudes, often referred to as "Not in My Backyard," or NIMBYism, are frequently identified as an obstacle to increasing the availability of affordable housing. However, local government policies can also be described as creating a NIMBY atmosphere for affordable housing.

A community's NIMBY attitude can be a barrier to affordable housing. In many places, affordable housing is perceived as undesirable and as a source of disruptive or unsafe neighbors. Neighbors can protest low- or moderate-income housing and persuade local leaders not to allow such projects. For the provision of affordable housing in existing rental units, a general community attitude of mistrust for and aversion to lower-income neighbors can keep landlords from considering allowing assisted-rent tenants.

Education is the way to overcome this obstacle in Minnesota. Community outreach about the importance of affordable and fair housing for all residents can alleviate worries and negative attitudes toward housing for a range of incomes. Public service campaigns such as the one carried out in Minnesota from 1999 through 2006 can educate the public about the need for affordable housing in their communities.

The State fully supports efforts to reduce NIMBYism, prejudice, and negative attitudes toward affordable and multifamily housing, and will encourage planning decisions by CDBG and HOME sub-recipient communities that work to decrease segregation and increase integration of populations. The State will also fully support civic leaders and developers who undertake education in communities statewide. Such education could be targeted, timely, and, in the context of a possible development, relevant to potentially affected citizens.

Energy Conservation

The Multifamily Division of Minnesota Housing encourages practices that promote energy conservation in the development and rehabilitation of affordable rental housing, though no specific practices or criteria that exceed specific applicable energy codes are currently

⁸ <http://www.mhfa.state.mn.us/homes/EMHI.htm>

mandated. Minnesota Housing encourages optimizing the use of cost-effective, renewable resources and energy, minimizing damage and impact to the environment, and maximizing the use of natural amenities, such as solar, wind, climate, and orientation, of the development's site.

For example, applicants to the Housing Tax Credit (HTC) program are awarded additional points for implementing green design criteria. Further, the Publicly Owned Housing Program (POHP) references sustainable building design standards in its manual, stating that "Minnesota Statutes Section 16B.325 requires promulgation of Sustainable Building Design Goals for new buildings. These goals are design standards that:

- Exceed the existing energy code standards,
- Achieve the lowest possible lifetime costs for new buildings,
- Ensure good indoor air quality,
- Create and maintain a healthy environment,
- Facilitate productivity improvements,
- Specify ways to reduce material costs, and
- Consider the long-term operating costs of the building including the use of renewable and distributed electric energy generation that uses a renewable source of natural gas or a fuel that is as clean as or cleaner than natural gas."⁹

For any SCDP rehabilitation project, DEED conducts an inspection that includes energy improvements to homes and commercial businesses with items such as windows, doors, insulation, and energy-efficient heating units.

⁹Manual available online at
http://www.mnhousing.gov/idc/groups/public/documents/document/mhfa_004077.pdf

Minnesota Department of Health-Lead Grants

The State of MN has received HUD grant funding for lead remediation since 2003 for the non-entitlement areas of the State. From 2003 through 2006 the Minnesota Department of Employment and Economic Development (DEED) operated the lead hazard control grant program. DEED received \$2.43 million dollars and remediated lead in over 300 properties. The state matched this federal grant with an additional \$2.8 million, mostly from SCDP funds available through DEED, to pay the costs of activities including: lead-risk assessments, lead-hazard mitigation, community outreach, education, and training.

In 2007, The Minnesota Department of Health (MDH) began operating the HUD funded Lead Hazard Control Grant (LHCG) program with the State financial match provided by DEED. MDH was awarded \$1.41 million in LHCG funds and remediated 143 properties over a 3 year period and completed 20 outreach and educational events providing information on lead hazards in the home and the qualifications for the LHCG. Furthermore, the program provided training for 17 lead workers and 20 Lead Supervisors, which helped to increase the capacity of qualified contractors through the State of MN.

On March 1, 2011, MDH was awarded a new \$1.7 million HUD Lead Hazard Control Grant (LHCG) that covers 36-months of performance. The funding allows MDH to continue to remediate lead hazards in homes throughout greater Minnesota. The LHCG goals are to remediate 120 non-Elevated Blood Lead Level (EBLL) homes and 17 EBLL homes. MDH will also provide contractor training for lead hazard remediation, train grantee professionals in the practitioner's course for Healthy Homes, and complete 120 Healthy Homes assessments along with providing education and minor repairs to address some of the identified healthy homes hazards. Addressing healthy home hazards is a new facet of the LHCG.

MDH has awarded 20 agencies with 102 Non-EBLL projects. As of November 8, 2013, 82 Non-EBLL projects are completed. There are also 8 of the 17 EBLL projects completed for a total of 90 completed projects. In addition, MDH provided contractor training for 35 people in various lead courses, which includes the 1 day EPA RRP Renovators course, 2 day lead worker initial course, and 4 day lead supervisor initial course. Furthermore, in partnership with the Sustainable Resources Center of MN, MDH has trained 30 of MDH grantee professionals in the nationally recognized "Essentials for Healthy Homes Practitioners" course. This course helps MDH grantees identify and address healthy homes related problems in conjunction with the lead hazard remediation work.

Our current funding for the 90 completed projects includes MDH's HUD Lead Hazard Control Grant (LHCG), MN Department of Employment and Economic Development (DEED) Small Cities Development Program (SCDP), Minnesota Housing Finance Agency (MHFA), Property Owner funds, and other various funding sources. The breakdown is as follows: MDH LHCG: \$592,949.30, DEED SCDP: \$1,371,044.45, MHFA: \$30,291.00, Property Owner: \$227,946.95, and Other: \$184,690.93.

The purpose of the program is to identify and correct lead based paint hazards in pre-1978 homes occupied by low and moderate income families with children less than six years of age and/or pregnant women. The primary responsibility for managing the grant program is with the Minnesota Department of Health (MDH) in partnership with the MN Department of Employment and Economic Development (DEED). Agencies administering Small Cities Development Program grants through DEED will be eligible for funding and will carry out the implementation and administration of the Lead Hazard Control Grant Program on the basis of executed grant agreements with MDH.

MDH's current HUD LHCG funding will be completed in May 2014. MDH intends to continue to correct lead based paint hazards and plans to submit an application to HUD for lead hazard remediation when the next round of funding is available.

MDH also collects the data on all blood tests for lead poisoning through its Blood Lead Information System (BLIS). This data is used to identify a child who is poisoned by lead and needs medical intervention. The State also requires by law that an EBLI investigation is done when there is a venous draw of 15µg/dL or more.

The annual Blood Lead Surveillance Report describes the activities of the Minnesota Department of Health (MDH) Childhood Lead Poisoning Prevention Program (CLPPP) and the data resulting from the BLIS system for the calendar year. The report contains a description of the trends in lead testing and elevated blood lead levels in Minnesota, and summarizes activities taking place in Minnesota to prevent childhood lead poisoning. The intent of this report is to provide information for lead poisoning prevention stakeholders in Minnesota, document activities of the CLPPP, and assist local efforts to prevent childhood lead poisoning, and is also a companion to the State of Minnesota plan to eliminate childhood lead poisoning.

A copy of the 2011 Blood Lead Surveillance Report can be found at <http://www.health.state.mn.us/divs/eh/lead/reports/2011report.pdf>

All years of the of the Blood Lead Surveillance Report can be found at <http://www.health.state.mn.us/divs/eh/lead/reports/#reptlegis> under the heading "Surveillance Database Reports"

According to the 2011 Blood Lead Surveillance Report the trends in the number of EBLI cases in Minnesota children across the years show a continued decrease. In 2000 there were 1901 Minnesota children with blood lead levels of 10 µg/dL or greater, and 407 children had venous blood lead levels of 15 µg/dL or greater; and now the 2011 data show 584 Minnesota children with blood lead levels of 10 µg/dL or greater and 112 children had venous blood lead levels of 15 µg/dL or greater. This is also coupled with the fact that the number of children tested for lead in Minnesota increased dramatically between 1998 and 2008 and has recently leveled off with 93,170 children tested in 2011 compared to approximately 40,000 in the year 2000.

Addition to 2014 Annual Action Plan

In accordance with 24CFR §92.254, Minnesota Housing has reviewed available house sales price data to determine value limits for its HOME HELP homebuyer assistance program for certain counties in the State. Because Minnesota Housing only permits the purchase of existing housing, only existing home sales were used in determining the median sales prices.

In performing its analysis, Minnesota Housing used the Minnesota Department of Revenue's Certificate of Real Estate Value (CREV) sales data for the period ending September 2012, the most recent statewide data available. The data are limited to arms-lengths sales and include the parcel identification number of existing one-family sales; i.e., single-family detached housing, coops, condominiums, and real property manufactured housing. The analysis was performed for each of the state's 87 counties and is available on request.

Section 92.254(a)(2)(iii) requires a minimum number of recent sales over a specified time be analyzed. Below are the number of sales and time over which they occurred for specific counties, the median value of homes sold over that period, and the 95% of median value limits, rounded down to the nearest thousand dollars, that are proposed as alternatives to the 2014 value limits determined by HUD. The HUD-determined values will apply in all other counties.

County	Number of Sales	Period Reviewed	Median Sales Price	HUD Value Limits for 2014	Value Limits (95% of Median Sales Price)
Carver	326	Jul-Sep 2012	\$257,200	\$223,000	\$244,000
Dakota	587	Aug-Sep 2012	\$212,900	\$176,000	\$202,000
Hennepin	577	Sep 2012	\$208,000	\$177,000	\$197,000
Ramsey	411	Jul-Sep 2012	\$186,000	\$168,000	\$176,000
Scott	336	Jul-Sep 2012	\$227,250	\$204,000	\$215,000
Washington	770	Aug-Sep 2012	\$245,000	\$186,000	\$232,000

AP-30 Method of Distribution - 91.320(d)&(k)

ESG Funding

ESG Funding covered by this Action Plan is distributed in a competitive funding opportunity. The results of this funding process is reflected in the priorities and specific objectives outlined in State's 2014 Annual Action Plan Table of Objectives and Outcomes.

ESG funds are awarded and distributed for emergency shelter, prevention and rapid re-housing. This competitive funding opportunity addresses three of the State' priority objectives for ESG funding:

SL-1.1 Provide safe, adequate emergency shelter for those who have not yet been re-housed or diverted from shelter.

SL-1.1 Stably rehouse homeless persons and those at-risk of homelessness

SL-1.1 Ensure homeless families and individuals transition to stable, long-term housing situations.

Following are the criteria used for distributing ESG funding for emergency shelter, prevention and rapid re-housing:

Threshold Criteria (must be met to be considered for funding)	<ul style="list-style-type: none">• Electronic and hard-copy application received by deadline• Complete application submitted
Scored Criteria	Program Capacity (18 points) <ul style="list-style-type: none">• Financial & Administrative Capacity• Level of demonstrated collaboration• Need for program and funding
	Program Design (25 points) <i>Emergency Shelter & Services:</i> <ul style="list-style-type: none">• Accessibility of services• Appropriate services for program model• Cost-effective program <i>Tenant-based Re-housing</i> <ul style="list-style-type: none">• Accessibility of services• Appropriate services for program model• Cost-effective program• Adherence to Best Practices (Appendix II)• Appropriate outcomes for target population
	Program Revenue & Budget (7 points) <ul style="list-style-type: none">• Detailed revenue sources• Reasonableness of budget• Descriptive/complete budget narrative
	Other Criteria <ul style="list-style-type: none">• Geographic location• Previous performance including monitoring and reporting

Program Specific-CDBG

SCDP Special Needs Activities

SCDP funds may be used for affordable housing development that assists special needs populations. The SCDP is flexible and can assist special needs populations in a variety of ways, including rehabilitation of homes, shelters, or community centers that serve these populations. These applicants will follow the regular SCDP process that is currently in place.

SCDP Disaster Response Activities

DEED may allocate reverted dollars from previous or current SCDP funds for use in a federal- and/or state-declared disaster response. The type of response will be determined based on the needs in the disaster area and the other resources that may be available. All other available resources must be accessed prior to the use of SCDP funds. All recipients of assistance will need to meet SCDP requirements. These applicants will follow the regular SCDP process that is currently in place.

Program Income

Program income is income received in excess of \$35,000 in a federal fiscal year by a grantee or a sub-recipient as a result of the activities supported by Minnesota CDBG funds. Grantees or sub-recipients will follow the requirements set by DEED (SCDP) in addition to all HUD program income regulatory requirements. HUD Requirements can be found at 570.489(e).

Program Income (PI) is defined as income generated by the SCDP-funded activities, which include but is not limited to:

- Loan repayments (with interest, if applicable);
- Proceeds from the sale of property purchased with SCDP funds; or
- Interest earned on the PI itself, once back under the control of the Grantee.

All communities that currently have PI on hand and intend on applying for a new SCDP grant must bring the current PI as leveraged funds unless repayment agreements are already in place for use of these funds. All awarded grants with PI on hand will reduce draws based on distribution plans of those funds to the awarded projects.

MONITORING

SCDP

The state of Minnesota's CDBG competitive program standard is that each grantee be monitored through an on-site visit at least once during the term of the funding agreement. Follow-up monitoring may occur if there are significant findings of noncompliance with program requirements to ensure that problems have been corrected, or if other indicators of program noncompliance or administrative difficulties become apparent from reviews of program documents, telephone conversations, or other sources.

The monitoring process includes a review of a sample of files to determine compliance with program requirements and existence and application of good financial management practices.

All monitoring aspects are conducted by SCDP staff based on projects in their geographical region, including any new projects. Management checks each SCDP representative's monitoring schedule to ensure all monitoring is being completed. There are two forms of monitoring conducted by SCDP staff: on-site and desk.

Each grantee will be monitored through an on-site visit at least once during the term of the funding agreement. Follow-up monitoring may occur if there are significant findings of noncompliance with program requirements to ensure that problems have been corrected; or if other indicators of program noncompliance or administrative difficulties become apparent from reviews of program documents, telephone conversations, or other sources. Grantees are notified in writing prior to a monitoring visit. Once on site, an entrance meeting is conducted to discuss the monitoring process. The monitoring is then conducted and, once completed, an exit meeting is held to discuss the results of the monitoring. DEED staff members then produce a written report of the visit for the grantee, including any concerns or findings with appropriate actions and due dates.

The monitoring process includes a review of a sample of files to determine meeting goals and objectives, actions to ensure compliance with rules and regulations, and actions to ensure timeliness of expenditures. Desk monitoring is conducted on an ongoing basis from the start of the grant until closeout. The SCDP representative reviews startup documents, ongoing activities, payments to grantees, annual reports, audits, final reporting, and closeouts reporting. Management of SCDP grants allows many opportunities to perform desk monitoring.

A monitoring checklist/guide has been developed by DEED as a tool to assist in the monitoring process. Areas monitored are grant management and financial, fair housing and equal opportunity employment, environmental, Davis Bacon Labor Standards (if applicable), activity-specific such as federal objective, inspections and bidding, DEED and contractor payments, and project financing areas. All grants are subject to monitoring to ascertain if

the activities stated within the approved application address federal objectives and are eligible activities and if adequate progress has been made by the grantee within the time period stated in the funding agreement. Results of the monitoring are discussed with each grantee, and issues and their resolution are put in writing and sent to the appropriate officials of the grantee.

Annual reporting also provides as a monitoring tool. It asks for a list of the persons who received the assistance, the nature of the assistance provided, the name of the technical assistance provider, the cost of the assistance, the outcome of that assistance, especially in terms of the number of businesses started up or expanded, the number of persons employed and jobs created, information regarding any financial assistance secured as part of the business start or expansion, and the DUNS number where applicable.

2012-2015 Assistance to Minorities and Veterans

State of Minnesota Appropriations

MEDA's application was awarded \$169,500 through the 2012 Minnesota Business Development Competitive Grant Program and awarded \$190,000 for FY 2014 and \$190,000 for FY 2015 through the Minnesota Business Development Competitive Grant Program. In each year \$115,000 is dedicated to serve minority businesses and \$75,000 to strengthen government contracting expertise, with an emphasis on serving rural Minnesota businesses.

The BioBusiness Alliance of Minnesota application was awarded \$348,200 through the 2012 Minnesota Business Development Competitive Grant Program. BioBusiness Alliance will provide services and outreach to businesses in Minnesota's bio industry sectors. The BioBusiness Alliance of MN is awarded \$225,000 for FY 2014 and \$225,000 for FY 2015 through the Minnesota Business Development Competitive Grant Program. BBAM has been a key partner with DEED in successfully delivering business development assistance to entrepreneurial bioscience companies, particularly in Greater MN.

Central Lakes College SBDC will use its grant award for FY2012 of \$50,000 to provide business development services to MN Veterans and expand businesses development satellite offices in North Central MN. Central Lakes College SBDC is awarded \$42,000 for FY 2014 and \$42,000 for FY 2015 through the Minnesota Business Development Competitive Grant Program.

The African Development Center is awarded \$100,000 for FY 2014 and \$100,000 for FY 2015 through the Minnesota Business Development Competitive Grant Program. African Development Center works within the African communities in MN to start and sustain successful business, build wealth, and promote community reinvestment.

The Minnesota State University Mankato-SBDC application was awarded \$125,000 through the 2012 Minnesota Business Development Competitive Grant Program and is awarded \$140,000 for FY 2014 and \$140,000 for FY 2015 through the Minnesota Business Development Competitive Grant Program. The grants will support continued/expanded operations of the Minnesota State University Mankato-SBDC and the Regional Center for Entrepreneurial Facilitation.

The Neighborhood Development Center application was awarded \$144,500 through the 2012 Minnesota Business Development Competitive Grant Program and awarded \$170,000 for FY 2014 and \$170,000 for FY 2015 through the Minnesota Business Development Competitive Grant Program. The NDC will use the grants from DEED to further bolster and expand the small business development services that it provides to small businesses and aspiring entrepreneurs.

The Northside Economic Opportunity Network is awarded \$71,750 for FY 2014 and \$71,750 for FY 2015 through the Minnesota Business Development Competitive Grant Program. NEON will provide

consultation and technical services to pre-venture individuals, emerging and established small businesses, and mid-sized businesses.

The Metropolitan Consortium of Community Developers is awarded \$95,000 for FY 2014 and \$95,000 for FY 2015 through the Minnesota Business Development Competitive Grant Program. MCCD will address and help mitigate the number one reason for failure and to bridge the information gap for micro-entrepreneurs. The MCCD's Open to Business program provides a variety of development services for small business clients.

DEED was appropriated \$76,000 for 2014 & \$76,000 for 2015 from the general fund for the Southern Minnesota Initiative Foundation. The appropriation is available until spent.

Southwest MN State University SBDC is awarded \$70,000 for FY 2014 and \$70,000 for FY 2015 through the Minnesota Business Development Competitive Grant Program. The Southwest SBDC provides a vast array of technical assistance to small businesses and aspiring entrepreneurs.

WomenVenture was appropriated \$142,500 from the Legislature for FY2012 to develop programs that encourage women to enter nontraditional careers. This appropriation must be matched dollar to dollar with federal funds and awarded \$168,800 through the 2012 Minnesota Business Development Competitive Grant Program. Women Venture is awarded \$165,000 for FY 2014 and \$165,000 for FY 2015 through the Minnesota Business Development Competitive Grant Program. The Women Venture's Business Development program provides wrap around services including education, support and access to capital to entrepreneurial women who want to start, expand or strengthen a small business.

Minnesota Investors Congress application was awarded \$35,200 through the 2012 Minnesota Business Development Competitive Grant Program and awarded \$85,000 for FY 2014 and \$85,000 for FY 2015 through the Minnesota Business Development Competitive Grant Program. MIC will stimulate economic development by supporting innovation and inventors at all phases of the invention development process.

DEED was appropriated \$237,500 for 2014 from the general fund for a onetime grant to the St. Paul Planning & Economic Development Department. This grant is for neighborhood stabilization use in NSP3.